

ANALYSIS OF STATE-LEVEL EDUCATION SAVINGS ACCOUNT (ESA) LAW PROVISIONS



JANUARY 2018

ANALYSIS OF STATE-LEVEL EDUCATION SAVINGS ACCOUNT (ESA) LAW PROVISIONS

States (& Yr. Law Passed)	Total Annual Program Amount	Annual Per Pupil ESA Public Funding	Statewide Enrollment Cap	Income Limit on ESA Recipients	Eligibility Requirements	Prior Public School Enrollment Requirements	Students Assessment Requirements	Eligible Expenses	Participants & Funds Expended
Arizona (*11) Empowerment Scholarship Accounts	No limit	\$12,400 approx. avg. (2017-18) (\$5,600 base amount adjusted significantly based on individual students disabilities)	New accounts are limited to 0.5% of the total number of public and charter school students, approx. 9,000 accounts. (If the expansion does not go into effect, there will be no cap on the number of accounts approved beginning in 2019-20)	No limit	Limited to students: 1) of active military stationed in the state; 2) of military killed in the line of duty; 3) siblings of current or former ESA recipients; 4) fm. low-performing schools; 5) previously in foster care; 6) living on Native Am. reservations; 7) w. special needs; 8) receiving tax credit scholarships for students w. special needs; 9) children of parents who are legally blind, deaf or hard of hearing	Must have attended public school for at least 100 days in prior year (except for children of active military, children of military killed in the line of duty, students entering kindergarten, and preschool students w. special needs)	None	Private school tuition, textbooks and curricula, contributions to 530 Coverdell savings accounts, online education, tutoring, educational therapies, future educational expenses, vo-tec and post-secondary education	4,525 (\$56.1 million) (2017-18)
Arizona Approved Expansion of Empowerment Scholarship Accounts *	No limit	Unchanged	Unchanged until 2022-23 when cap would be fixed at the number of accounts approved in 2021-22	No limit	Limited to students entering grades K, 1, 2, 6, 7, 9, 10 (2018-19); expanding to include all K-12 students (2020-21)	Unchanged	State or nationally norm-referenced tests (exception for students w. special needs)	Unchanged (except for contributions to 530 Coverdell savings accounts removed)	NA. Expansion pending
Florida (*14) Gardiner Scholarship Program	\$100 million (2017-18)	\$10,000 (2017-18) (90% state and local funding; varies by grade, county of residence, and public school spending for students w. special needs)	None	No limit	Limited to students w. special needs	None	State or nationally norm-referenced tests	Private school tuition, contributions to 529 ed savings accounts, home education, online education, tutoring, textbooks, curricula, digital devices, after-school enrichment, educational therapies, vo-tec and in-state postsecondary education	8,821 (\$88.2 million) (2017-18)
Mississippi (*15) Equal Opportunity for Students w. Special Needs Program	\$3.0 million (2017-18)	\$6,494 (2017-18) (adjusted annually by same percentage change as state funding amt. provided to public schools)	1,500 students (2017-18) (annually increases by 500 students)	No limit	Limited to students w. special needs	None	None	Private school tuition and fees, transportation, online education, tutoring, textbooks, curricula, educational technology, consumable supplies (\$50), extra-curricular programs, educational therapies, and postsecondary education	430 (\$2.8 million) (2017-18)
Nevada (*15) Education Savings Accounts **	TBD. Program not yet funded by legislature	\$5,710 (2015-16) for students fm. families w. incomes ≤100% of reduced-price meal eligibility and students w. special needs; \$5,139 for general ed. students (90% of statewide avg. basic support per pupil)	None	No limit	None	Must have attended public school for at least 100 days immediately prior to establishing an ESA (except for children of active duty military and children under 7 years old)	State or nationally norm-referenced tests	Private school tuition and fees, textbooks, and transportation, distance learning programs, tutoring, curricula, educational therapies, and dual-enrollment classes	NA. Program has not launched
North Carolina (*17) Personal Education Savings Accounts	\$3.4 million (2018-19)	\$9,000	None	No limit	Limited to students w. special needs	Must have attended public school at least 75 days during the previous semester (except for dependents of active-duty military, students entering kindergarten or first grade, children in foster care, children adopted previous yr.)	Nationally norm-referenced tests	Private school tuition, textbooks, transportation, extracurricular programs, tutoring, curricula, educational therapies, and educational technology	Launching 2018-19
Tennessee (*15) Individualized Education Account Program	No limit	\$6,721 avg. (2017-18) (100% state and local funding for zoned public schools)	None	No limit	Limited to students w. special needs	Must have been enrolled in Tenn. public schools during previous school year (exception for students attending a Tenn. school for the first time and students who received an IEP in the previous SY)	State or nationally norm-referenced tests	Private school tuition and fees, textbooks, transportation, extracurricular programs, contributions to 530 Coverdell ESAs, tutoring, online education, curricula, educational therapies, and in-state post-secondary education	87 (\$585k) (launched Jan. 2017)

* An expansion of Arizona's ESA program was passed into law in 2017, but the expansion is on hold pending the outcome of a November 2018 statewide ballot referendum, which is currently the subject of a legal challenge. A summary and timeline of the expansion bill, initiative and referendum process challenging it, and the ensuing legal cases is available from BallotPedia at <https://goo.gl/2Gf78v>.

** Legal challenges to Nevada's adopted ESA law prevented the program from ever launching. The courts ruled that funding for the program must be adopted by the state legislature, which failed to occur prior to the 2017 session. the program will remain unfunded until at least 2019 because the Nevada legislature meets only every two years.

ABOUT THE INVEST IN EDUCATION FOUNDATION

The Invest in Education Foundation is a research and policy not-for-profit 501(C)(3) and publicly-supported organization with a mission of promoting improvement in K-12 education, increasing educational choice, and working to close gaps in educational achievement. Our activities include research and events to educate the public and advocacy (under the “h” election) in support of legislation consistent with our mission.



© 2012-2018, Invest In Education Foundation is classified as a Section 501(c)(3) organization under the Internal Revenue Code of 1954. Nothing in this document should be construed as an attempt to aid or hinder the passage of any bill or measure on the ballot or pending before the State Legislature or U.S. Congress.

26 Century Hill Drive, Suite 203
Latham, NY 12110
tel. (518) 640-8344

www.opportunityined.org
info@opportunityined.org