



EDUCATION SAVINGS ACCOUNTS (ESA): INNOVATION AND CUSTOMIZATION

Education savings accounts (ESA) are an innovative way to bring customization to K-12 education. Through an ESA, parents are able to direct their child’s funding to the schools, courses, programs, and services of their choice. Parents are also able to save unused funds for higher education expenses — creating an incentive for parents to judge all K-12 service expenses not only on quality but also on cost. By allowing parents to plan for their child’s unique needs, ESAs create a personal approach to education, where the ultimate goal is maximizing each child’s natural learning abilities.

What is an ESA?

ESAs are accounts with funds deposited by the state that are managed by parents under state supervision. These funds can be used for:

- Tuition and fees at participating schools
- Licensed or accredited tutoring.
- Online learning programs
- Fees for specialized or advanced courses, annual testing, and college entrance exams
- Savings for future higher education expenses
- Dual enrollment
- Services for students with disabilities, such as therapy from licensed or accredited providers

What is the Fiscal Efficiency of an ESA?

- Parents will seek the highest value for their child’s education with an ESA because they are spending money they control on their child.
- Parents have an incentive to judge service providers on both quality and opportunity costs because they can save a portion for future higher education expenses.

Lessons Learned from Other States

In Arizona, where the program originated in 2011:

- 71 percent of parents reported being “very satisfied” with the program,
- 19 percent reported being “satisfied,” and
- 10 percent were “somewhat satisfied.”
- ***Not a single parent surveyed reported a neutral or negative opinion of the ESA program.***



“For my family, a PLSA will mean Faith can maintain the speech therapies that are working so well for her, and we can increase or add to them as needed with things like physical or occupational therapy.”

Julie Kleffel

Longwood, Florida is the sole caregiver for her 7-year-old daughter with Down syndrome.

ESAs have the capacity to strengthen the public school system. Florida passed a statewide choice program for special needs students in 2001 and currently enrolls more than 30,000 students. Since its inception, Florida's special needs students in public schools have *led the nation in academic gains*. Having the option in place not only led to children being better-served, it became the necessary push for many public schools to deliver better services.

To date, Arizona and Florida have enacted ESA programs. The lessons learned implementing and administering these programs can be used to benefit other state policymakers in creating their own ESA programs.

Parents and children say it best...

- Watch the remarkable stories of [Jordan Visser](#) and [Max Ashton](#), children currently benefiting from an ESA.
- In the *Orlando Sentinel*, special needs parent Julie Kleffel writes, "[Special-needs kids will soar with new scholarship money](#)"
- Amanda Howard, parent of a special needs student writes "[How a scholarship helped my son learn to talk](#)" in the *Arizona Republic*.
- Senator Andy Gardiner, sponsor of ESA legislation in Florida and parent of a special needs student, writes how the state's new program is "[Transforming Education for Students with Unique Abilities...](#)"