Policy Analysis



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Education Savings Accounts and Improving Oklahoma Student Achievement - Summary*

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Education savings accounts have helped thousands of students in Arizona and Florida find a high-quality education. With an education savings account, the state deposits public money in a bank account that parents can use to buy educational products and services for their children. Families can choose the most effective schools, online classes, personal tutors, and textbooks, to name a few educational services and materials, to meet a child's needs.

- Oklahoma lawmakers should use education savings accounts in order to offer families more ways to find a high-quality education.
- Oklahoma's parents want more options. According to a SoonerPoll survey:
 - 58 percent of likely voters "would actually prefer to choose an alternative form of school to receive a better education than traditional public schools."
 - 56 percent would favor education savings accounts.
 - 68 percent favored allowing the accounts to be available to all families.
- With developments in technology, families have more options than ever in K-12 education.
- In Arizona, the state's department of education and treasurer's office coordinate to deposit student funds from the school funding formula into the accounts.
- The Treasury department in Arizona provides parents an account number and a check or debit card, and parents use the card or online programs such as PayPal to make purchases or to pay school tuition. Examples of approved expenses include:
 - Private school tuition
 - Textbooks
 - Education therapy
 - Online classes
 - Tutoring
 - Standardized testing

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This paper, in its entirety, can be found at **www.1889institute.org/ed-choice.html**.

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- Coverdell college savings plans
- College tuition
- Individual public school classes and extracurricular programs
- The state can suspend accounts if a family uses a card for expenses not included in the savings account law.
- Every education savings account in Arizona is a cost-savings to the state. The state realizes a savings because when a child leaves their traditional public school to use an education savings account, their new funding level is below what the state, local districts, and the federal government were paying on their behalf the year before.
- If Oklahoma ESAs were funded at approximately \$4,700 per pupil, every 5,000 students using an education savings account would save taxpayers \$19.2 million.
- ESAs have a proven track record:
 - Results for multiple meta-analyses of school choice programs show that II out of I2 random assignment studies of student achievement and school choice programs find positive benefits for students Only one study found no significant impact.
 - Significant evidence shows school choice programs help students succeed. A study of students using scholarships to attend private schools in New York City found that these students were more likely to attend college than their peers.
 - Minority students who received opted to attend private elementary schools under a choice program in 1997 were 10 percent more likely to have enrolled in college and 35 percent more likely than their peers who remained in public school to obtain a bachelor's degree as of 2013,."
 - In Washington, D.C., research demonstrates that students using a voucher in the nation's only federally-funded voucher program "had significantly higher rates of high school graduation."
 - Researchers have also found that private school scholarships have positive impacts on students that remain in public schools. Twenty-two of 23 studies found that school choice results in positive outcomes for public school students in areas where private school choice programs operate. Only one study found no significant impact.
- Unions and other associations charge that positive outcomes from school choice are the result of private school choice programs attracting the highest-achieving students from public schools. However, the National Alliance for Public Charter Schools finds "public charter schools across the nation enroll, on average, a greater percentage of low income students, Black and Latino students, and students who perform lower on standardized assessments before transferring to charter schools."
- Education savings accounts offer transparency in education spending and can be a cost savings for taxpayers. With the accounts, the state provides funds directly to families and audits every purchase, instead of funding schools, where revenues and expenses are difficult to track.

Parents and children need to be able to pursue education wherever it is found. Education savings accounts allow them to do just that. The accounts are a model for what education in the 21st century should look like: flexible, innovative, and child-centered. Every Oklahoma child deserves this innovative, high-quality option to help them succeed.