Opportunity for All: Education Savings Accounts in Georgia

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Introduction

"If you're in an organization and you have no power to exit, your voice is diminished. But if you're in an organization and people know you have the power to leave, and that resources will go with you, that affects the organization's decision making."[1]
– **Howard Fuller**, *Education reformer*

Policy-makers, school system administrators, and teachers are rightfully very concerned about the importance of parental involvement in education, and the need for more of it. But education policies rarely reflect an actual respect for parents and their wishes for their children.

- Parents pay taxes to fund programs they may or may not support.
- They are asked to pay again for items schools and teachers ask for.
- Parents are told, for the most part, where their children will go to school.

Parents often volunteer in schools and help in classrooms and that, of course, is very valuable. But it is clear the vast majority of parents are not very involved in the big-picture decision-making processes that affect schools, and are empowered to make very few choices in their children's education.

This structure serves school systems as institutions well. But it is not the only way the state could structure and support education for the public. As one author puts it,

> Most people have come to understand a very clear meaning of public education. They think of it as a system of education whereby students are assigned to schools based on where they live. They think of these schools as serving all students in their residential attendance zone. In the common definition, democratically elected boards govern public schools. This specific system, however, is not public education. It is just one method of delivering public education.[2]

One method that would enable the state to respect and empower parents, promote public education outcomes and, at the same time, reduce costs is Education Savings Accounts (ESAs).

What are Education Savings Accounts?

ESAs are a mechanism that puts parents very directly in charge of how their children are educated. According to the Friedman Foundation for Educational Choice,

> Education savings accounts allow parents to withdraw their children from public district or charter schools and receive a deposit of public funds into government-authorized savings accounts with restricted, but multiple, uses. Those funds can cover private school tuition and fees, online learning programs, private tutoring, community college costs, and other higher education expenses.[3]

In an ESA program, the state might calculate how much state funding a student is entitled to receive, then provide parents with use-restricted debit cards. These could be used, as noted above, to pay for things like tutoring, online classes, private school tuition, educational materials, etc.

Like all school choice programs, ESA policies can be structured in many ways. Arizona, the trailblazer in ESA programs, originally allowed only students with special needs to access ESA funds. This makes some sense, as special needs students often require highly specialized services, or a different kind of environment from the one a traditional school system is able to provide. Arizona later expanded its program to include students in low-performing schools.

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[1] Power to the People: A Conversation with Howard Fuller. http://www.youtube.com/watch?v=JiaQ-B127L8
[2] http://www.scribd.com/doc/156089410/Essay-Redefining-Public-Education-by-James-Shuls-PhD#download
[3] http://www.edchoice.org/School-Choice/What-is-School-Choice

In any state, such a program could be expanded along the lines of other school choice programs, to include foster children, military families or, ideally – for reasons that will be discussed below – all students in the state.

Education Savings Accounts in Other States

Several states have enacted ESA programs with a track record and have structures that can be examined. More states are considering such programs as well.

Arizona

Arizona was the first state to create an ESA program, in 2011. Arizona's "Empowerment Scholarship Accounts" allow parents to "withdraw their children from public, district, or charter schools and receive a portion of their public funding deposited into an account with defined, but multiple, uses, including private school tuition, online education, private tutoring, or future educational expenses. In the 2013-14 school year, eligibility expanded beyond the original pool of students with special needs to students assigned to public schools or school districts with a "D" or "F" letter grade, children of active-duty military members, and youth adopted from the state's foster care system."[4]

ESAs are funded at 90 percent of the per-student funding for charter schools. In 2013-14, that amounted to $5,300 for non-special needs students. To be eligible, Arizona students must either have attended public school for 100 days of the prior fiscal year, have received a special education tax credit scholarship, have participated in the ESA program, or have received a scholarship under Arizona's special education and foster student scholarship program. In 2013-14, 731 students participated in the program. This represents approximately 20 percent of eligible students.[5]

Arizona families may use ESA funds for the following purposes:

- tuition or fees at a private school
- textbooks
- educational therapies or services from a licensed or accredited practitioner
- curriculum materials
- tuition or fees for a non-public online learning program
- fees for a standardized norm-referenced achievement exam
- fees for an Advanced Placement examination
- fees for a college or university admission exam
- tuition or fees at an eligible post-secondary institution
- contributions to a qualified 529 college tuition program
- management fees from financial institutions selected by the Arizona Department of Education to oversee the accounts.[6]

Parents can save some the funds for future college expenses via a 529 savings account. This aspect of ESAs incentivizes parents to consider costs. It also helps families plan for the long-term educational needs of their students while at the same time saving the state money.

Florida

In 2014, the state of Florida created the "Personal Learning Scholarship Accounts" (PLSA) Program. According to the Foundation for Excellence in Education,

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[4] http://www.edchoice.org/School-Choice/The-ABCs-of-School-Choice/ABCs-Blue/2014-The-ABCs-of-School-Choice-Blue
[5] *Ibid*.
[6] http://www.edchoice.org/CMSModules/EdChoice/FileLibrary/925/The-Way-of-the-Future--Education-Savings-Accounts-for-Every-American-Family.pdf

> Florida K-12 public, private and home education students with the following disabilities are eligible: Down syndrome, Autism, Cerebral Palsy, Spina Bifida, Williams syndrome, and Prader-Willi syndrome. Additionally, kindergarteners identified as high-risk and children with select intellectual disabilities may also be eligible. … Every student qualifying for the PLSA program receives an amount set by the state, estimated at approximately $9,000 for the 2014-15 school year.

Scholarships can be used for any combination of the following:

- tuition and fees at an eligible private school
- occupational, physical, and language services and therapies
- private tutoring
- virtual programs or online courses
- exam fees
- contract services from school districts
- contributions to the state prepaid college program
- instructional materials and curriculum (including digital devices and assistive technology).[7]

Mississippi

An ESA program for special needs students passed by the Mississippi Senate this year and supported by the Governor was defeated in the House. The program would have funded students at $6,000 per year. It would have been capped at 500 students the first two years, rising to 700 in the fifth year and thereafter. It also would have been limited to students who had an Individualized Education Program (IEP) and had been enrolled in Mississippi public schools for at least six month the prior year.[8]

The Need in Georgia

Academics

Academic achievement across the country has been stagnant for years. The Cato Institute, for example, has documented that Georgia's spending, adjusted for inflation, rose over 140 percent from 1972-2012. The state's SAT scores, however, were virtually unchanged over that period, even adjusted for changes in participation and demographics.[9]

On the National Assessment for Educational Progress (NAEP), a test administered by the U.S. Department of Education, which can be compared across states, Georgia has seen no gain in fourth-grade math or reading since 2011, and no gain in eighth-grade math or reading since 2009.[10]

To the extent that ESAs would increase school choice, they would very likely be beneficial to student achievement outcomes as measured by test scores. Random assignment studies overwhelmingly find positive (if small) outcomes for students in choice programs,[11] and that choice programs probably also improve existing traditional public schools as those schools react to competitive pressures to serve and retain students.[12]

Still, test scores do not tell the whole story. A recent survey of Georgia parents participating in the GOAL scholarship program (Georgia's largest Student Scholarship Organization) found that parents value school attributes such as better/safer learning environments, religious or character education, and

7 http://excelined.org/florida-plsa/
8 http://www.edchoice.org/Blog/March-2014/Mississippi-ESAs-Closer-to-Governor-s-Desk
9 http://www.cato.org/publications/policy-analysis/state-education-trends#/GA
10 http://nationsreportcard.gov/reading_math_2013/#/executive-summary
11 http://www.edchoice.org/Research/Gold-Standard-Studies
12 http://educationnext.org/does-competition-improve-public-schools/

physical safety even more than standardized test results.[13] Surveys conducted by the School Choice Demonstration Project at the University of Arkansas found similar results among parents of school choice program students in Milwaukee and Washington, D.C.[14]

Regarding parent satisfaction with ESAs specifically, a 2012 Arizona Department of Education survey of ESA parents found that parents considered the program well-administered.[15] In 2013, Arizona's Goldwater Institute conducted a focus group of ESA parents. Their results, again, found that parents said they valued aspects other than standardized test scores when choosing schools for their children. They were mostly satisfied with Arizona's ESA program, and all would somewhat or strongly favor expanding the program in their state.[16]

Finances

In Fiscal Year 2014, Georgia state revenues were more than $7 billion for K-12 education, or $4,312 per student, on average.[17]

A 2014 Georgia Public Policy Foundation analysis of education spending in Georgia[18] found, in part, that:

> *The state's share of funding has declined.* Over the last decade, the share of state funding declined from 54 percent to 51 percent, while the share of local funding increased from 40 percent to 41 percent and the share of federal funding increased from 7 percent to 8 percent (with large increases in 2010 and 2011).
>
> *State education funding as a percentage of total state spending has remained steady.* The recession reduced total state revenues dramatically after 2008, but K-12 education's share of the budget was the same (38 percent) in 2003 as it was in 2013, and was fairly consistent in the interim years. (In 2002, before the austerity cuts began, K-12′s share of the budget was 37 percent.)
>
> *State education funding was prioritized over other areas of state spending.* Education spending increased in absolute dollar terms by 27 percent, second only to health care spending, which includes mandatory spending on Medicaid. (Inflation during the period was also up 27 percent.)
>
> *Georgia allocates a higher percentage of its state budget to education than most states.* Georgia's K-12 state spending as a percentage of total state spending was the 10th highest in the nation in FY 2013.[19]
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> *Georgia's total education spending per pupil (including local funds) exceeds all of its neighboring states, but ranks 35th nationally.*[20]
>
> *Georgia's total education funding ranks in the top 10 when measured as a percentage of personal income.* [21]

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[13] http://www.edchoice.org/CMSModules/EdChoice/FileLibrary/1031/More-Than-Scores.pdf
[14] http://www.uaedreform.org/school-choice-demonstration-project/
[15] Arizona Department of Education, "Empowerment Scholarship Account Customer Satisfaction Survey," http://www.azed.gov/esa/files/2012/12/esa-survey.pdf.
[16] http://goldwaterinstitute.org/sites/default/files/GWI_Policy%20Report_ESA_final.pdf
[17] http://app.doe.k12.ga.us/ows-bin/owa/fin_pack_revenue.display_proc
[18] http://www.georgiapolicy.org/analyzing-education-spending/
[19] National Association of State Budget Officers, Table 8, page 17. http://www.nasbo.org/sites/default/files/State%20Expenditure%20Report%20(Fiscal%202011-2013%20Data).pdf
[20] National Center for Education Statistics, Digest of Education Statistics 2013 Tables: http://nces.ed.gov/programs/digest/d13/tables/dt13_236.65.asp (latest data available). Table also includes inflation-adjusted data back to FY 1970. Estimates for FY 2012 (NEA Rankings and Estimates 2013, page 55, Table H-11: http://www.nea.org/assets/img/content/NEA_Rankings_And_Estimates-2013 (2).pdf) show similar results.

A study of potential costs/savings of ESA, voucher and tax credit programs for the state of Missouri showed the potential for cost savings to the state and to local school systems, depending on the scholarship amount and how many eligible students actually used scholarships.[22] Regarding ESAs specifically, the paper found, in part, that:

- Most existing private school providers would be interested in participating in such a program, and the number increases as the scholarship funding amount increases;
- A scholarship valued at $3,000 could potentially open up more than 2,000 seats in private options; and
- Based on fixed cost assumptions and current spending levels, a scholarship program could save local school systems nearly $20 million annually.

Some scholarship levels would represent new spending if fixed costs were high, but even large scholarship amounts could represent savings to local systems under certain circumstances, with the greatest savings coming at a scholarship level of $3,000.[23] Arizona's program has grown to make more students eligible. An analysis from that state projects the state would save over $12 million for every 5,000 students who enroll in the program.[24]

Benefits for Georgia

State Savings

Most Education Savings Account designs call for the state to spend some percentage less than they currently spend. Arizona, for example, sets the amount at 90 percent of the state's average per pupil expenditure. This design reduces state spending by its very nature. According to the Georgia Department of Education, Georgia generated $4,312 per student in total state revenue in FY 2013.[25] Therefore, an ESA valued at 90 percent of this would save approximately $430 per year in state funding for every student who accepted such an offer.

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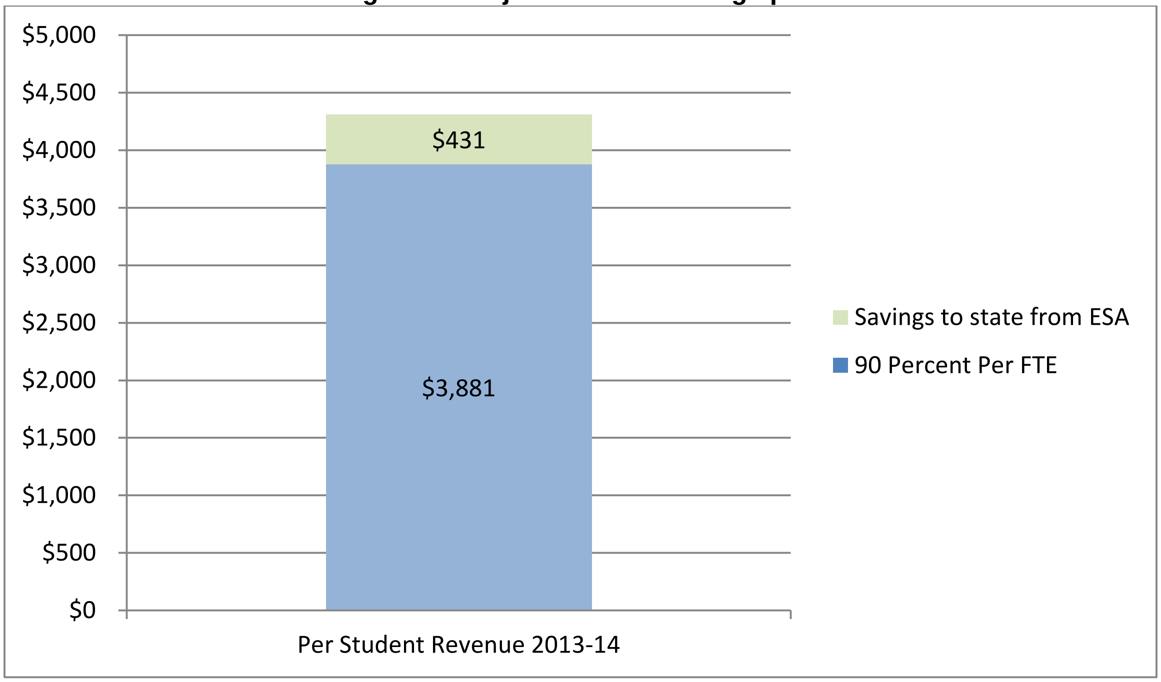
21 http://www.georgiapolicy.org/analyzing-education-spending/#aGa2
22 http://showmeinstitute.org/document-repository/doc_download/446-available-seats.html.
23 *Ibid.*
24 http://goldwaterinstitute.org/sites/default/files/GWI_Policy%20Report_ESA_final.pdf
25 http://app3.doe.k12.ga.us/ows-bin/owa/fin_pack_revenue.entry_form

Figure 1: Projected State Savings per Student



Source: Georgia Department of Education: http://app3.doe.k12.ga.us/ows-bin/owa/fin_pack_revenue.entry_form

Aggregating this information shows that as more students enter the program, the state saves more. Even an ESA program enrollment of 10,000 students, or about 0.5 percent of Georgia's total student enrollment, could generate large savings to the state.

Table 2: Projected State Savings for ESAs vs. Traditional Methods

	Per Student Funding	Number of Students	Cost	Savings
Traditional Public Schools	**$4,312**	**1,000**	**$4,312,000**	
		5,000	**$21,560,000**	
		10,000	**$43,120,000**	
ESA Students	**$3,881**	**1,000**	**$3,881,000**	**$431,000**
		5,000	**$19,405,000**	**$2,155,000**
		10,000	**$38,810,000**	**$4,310,000**

Source: Georgia Department of Education: http://app3.doe.k12.ga.us/ows-bin/owa/fin_pack_revenue.entry_form

These projections assume that all scholarship recipients are current public school students. Students who receive scholarships but who previously attended private schools or were homeschooled would clearly represent new state spending. That would reduce the amount the state saved by offering those scholarships. For this reason, ESA programs tend to require students to have been enrolled in public school the year before they receive a scholarship benefit.

College Affordability

Parents of these students opting in to an ESA would be eligible to use this $3,880 on private schools, tutoring, online learning, costs for college classes and possibly other restricted uses. Importantly, Education Savings Accounts, by their very nature, encourage and reward both cost-awareness and long-term thinking.

If, as is the case in Arizona, parents have the ability to save a portion of their ESA allotment in a 529-type college savings plan, that "extra" money becomes the seed money for a student's college education. With over $1 trillion in student loan debt across the United States[26], this is clearly a looming (and growing) problem. Financial leaders including people like Mark Cuban[27] and Peter Thiel[28] have proposed solutions, and though some in the higher education sector[29] and elsewhere[30] are in denial, colleges themselves are starting to feel the strain.[31] No single solution will solve the issue, but ESAs may be a way to mitigate the problem long-term in Georgia and elsewhere.

For example, parents could be given an ESA amount of $3,000 per year, but shop around and find services for their child that cost $2,500 per year. If the parents saved the $500 per year difference through an ESA program starting when the child was 6 years old, that child would have over $10,000 saved for college by high school graduation.[32] This would not cover the entire cost of a degree at a four-year school, but it would certainly be a huge benefit compared to what Georgia's poorest students start college with now. Students with such a fund could borrow less money for college, and colleges would gain a new set of potential students with money saved up for tuition during their K-12 years. As HOPE funds are stretched thinner and thinner statewide, ESA funds could be a way to cover this potential gap.

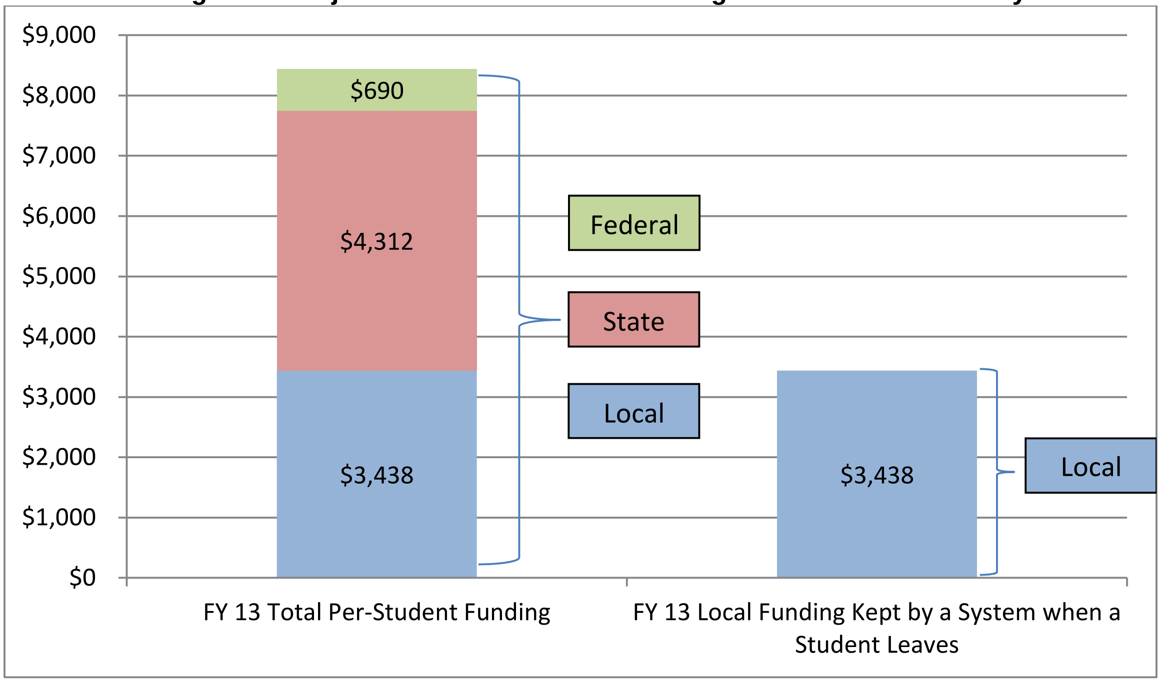
Local Savings

The previous examples only consider state funding. Complete Georgia school revenues consist of funding from local, state and federal sources. In FY 2013, Georgia school districts earned an average of approximately $8,440 per student in total federal, state and local funding. When a student leaves a public school system for whatever reason – she moves, she leaves for a private school, etc. – all of these revenues leave the system with her.

Under most ESA plans, if a student were to leave the public school system for ESA options, but still reside in the same place, the federal and state share of her funding leave but the local share remains with the district, raising the amount of money available for every other student, and therefore raising the average per-student funding.

[26] http://www.cnbc.com/id/101367292#
[27] http://www.cnbc.com/id/102078906
[28] http://www.thielfellowship.org/
[29] https://www.insidehighered.com/views/2011/06/14/essay_rejecting_idea_of_a_higher_education_bubble
[30] http://www.washingtonpost.com/blogs/answer-sheet/wp/2014/05/01/is-the-1-trillion-student-loan-debt-really-a-crisis/
[31] http://www.mindingthecampus.com/2014/05/the_higher-ed_bubble_starts_to/
[32] Calculated at: https://www.path2college529.com/planning/calculate.shtml

Figure 2: Projected Local Dollars Remaining Local under an ESA System



Source: Georgia Department of Education: http://app3.doe.k12.ga.us/ows-bin/owa/fin_pack_revenue.entry_form

Fixed Costs

Even though local school systems would be able to keep approximately 40 percent of the total funding for each student who left for an ESA program – while also removing 100 percent of the cost of educating that student – systems would not be able to simply redirect those funds to increase per student spending for the remaining students, or to pay for other projects – at least not immediately. In the short run, savings would be reduced due to fixed costs (systems cannot quickly close buildings, for example, and would end up teaching a smaller number of students in facilities built for larger populations, etc.). How much of an effect this creates, however, is unclear. Researchers have attempted to address this issue and have argued that, "At first blush it is tempting to conclude that the marginal cost of a single student is zero. However, suppose that district enrollment shrinks by 10 percent. Surely, now the district will have some cost-savings – but how much? Will costs shrink by 10 percent? Less than 10 percent? More than 10 percent?"[33] Perhaps the school system would not be able to simply recoup and redirect the full $3,438 per student in the first year (or first few years) of an ESA program. But, assuming fixed costs of 35 percent, the school could reasonably expect to generate funding of around $2,235 per student – *for students who they no longer have to educate.*

Equity

Education Savings Accounts have the potential to benefit taxpayers due to cost savings, and they have the potential to protect local schools because all of the local funding would remain with the local school systems. But consider the previous example of a scholarship of approximately $3,000. As has been shown in Missouri, even such a small scholarship would entice more private schools to participate in the program. But given this amount, parents might have a difficult time finding a school willing to accept such a low number as full tuition. Many families would have a hard time making up the difference between $3,000 and what most private schools would charge. (It is worth noting again that ESA funds would not necessarily have to be spent on private school tuition, but could also be used for online education

[33] Podgursky, M., Brodsky, S., & Hauke, J. (2008). "The fiscal effects of a tuition tax credit program in Missouri." Show-Me Institute.

courses, or partial-day services, or home school materials, etc. rather than simply substituted for private school tuition). This funding gap for private school costs is a potential implementation problem that should not be overlooked.

Thankfully, Georgia's Education Expense Tax Credit program could help mitigate this issue. Low-income families would be eligible to receive scholarships from one of Georgia's approved Student Scholarship Organizations (SSOs) that would supplement ESA funds and make many more choices financially possible for many more families.

Though Georgia's tax credit program could still use more accountability,[34] this combination of a newly-created ESA and Georgia's existing tax credit scholarship program could provide partial scholarships to middle-income families while providing larger scholarships for low-income families to maximize educational opportunities for everyone.

Obstacles

Georgia has a "Blaine Amendment" in its state constitution. Blaine Amendments, named after Maine senator James G. Blaine, are amendments added to many state constitutions in the 19th century and were intended to protect a sort of pan-Protestant curricular focus: They were meant to prevent the opening of more Catholic schools.

In recent decades, these amendments have been interpreted by some to be prohibitions against any use of state funds for any schools other than public schools, and to prevent public funding of other faith-based initiatives, of any kind. Georgia's Blaine Amendment reads:

> …[n]o money shall ever be taken from the public treasury, directly or indirectly, in aid of any church, sect, cult, or religious denomination or of any sectarian institution." Ga. Const. art. I, § II, ¶ VII.

However, Title 20 of the Georgia Constitution also states that,

> Educational assistance programs authorized. (a) Pursuant to laws now or hereafter enacted by the General Assembly, public funds may be expended for any of the following purposes:
>
> (1) To provide grants, scholarships, loans, or other assistance to students and to parents of students for educational purposes.[35]

ESAs avoid many of the legal issues that may arise through other programs, such as vouchers and tuition tax credits. Just this year a hard-fought battle over a state tax credit program was settled (in favor of the program) in the New Hampshire Supreme Court.[36] In fact, Matthew Ladner argues that "It is unlikely that ESAs would ever be less constitutionally robust than vouchers. … Designing programs so that the aid has multiple uses and is clearly under the complete control of parents can only help or be neutral in a constitutional challenge."[37] Though vouchers have been held to be constitutional under certain conditions by the U.S. Supreme Court,[38] ESAs may avoid even these challenges.[39]

In ESA programs, parents are given the ability to choose the educational provider most appropriate for their children – and in fact, many would likely choose multiple providers, creating unique combinations of

[34] http://www.georgiapolicy.org/scholarship-groups-need-oversight-not-overregulation/#aGa2
[35] http://sos.ga.gov/admin/files/Constitution_2013_Final_Printed.pdf
[36] http://www.ij.org/new-hampshire-school-choice-release-8-28-14
[37] http://www.edchoice.org/Research/Reports/The-Way-of-the-Future--Education-Savings-Accounts-for-Every-American-Family.aspx
[38]http://www.edreform.com/wpcontent/uploads/2013/03/Legal_Summary_Of_US_Supreme_Court_Decision_in_Zelman_V_SimmonsHarris_436_US.pdf
[39] See, for example, the current challenge to Georgia's Tax Credit program. http://reason.com/archives/2014/05/07/georgia-school-choice-legal-challenge

experiences for their unique children that even the most comprehensive school programs would be unlikely to provide.

Other Considerations

Other practical issues that would have to be solved in any ESA program the state of Georgia might create include items like:

529 plan transfers. One powerful aspect of ESAs in other states like Arizona is the ability for parents to save their ESA funds and use them to help pay for college. This feature has several benefits – making college more affordable, encouraging long-term planning, etc. But funds in 529 plans can be withdrawn after paying a penalty, and the possibility of fraud and abuse is certainly a concern (for example, a person could transfer ESA funds into a 529 plan, then pay a penalty to withdraw them and use them for any, non-educational, purpose). This is a real, but not insurmountable issue.[40]

The necessity of audits. The possibility of such fraud and abuse leads to the necessity of more auditing power on the part of the state. Any of several state agencies could take this task on, but it is a necessary function to safeguard the proper use of taxpayer funds.

Homeschoolers. Some parents who take advantage of ESA funds may use the funds to purchase homeschooling materials, at least for a portion of their students' courses. These families should be formally considered a separate category from parents who homeschool but do not use ESA funds. Such a separation will prevent fully homeschooling families from being inadvertently placed under ESA regulations as far as financial reporting or testing requirements in the future.

Potential testing requirements. Though the act of choosing a school is in itself a built-in accountability measure, programs tend to still rely on some standardized testing to ensure minimum program quality. If this were the case in Georgia, some practical questions would be:

- *Which tests should ESA schools use?* If the new Georgia Milestones tests were required, as is the case with all public schools, would that lead to a restriction in the type of curriculum that could be offered at private schools accepting ESA students? How much would that restrict the market of private schools interested in accepting ESA students at all, if they were required to give the state standardized tests?
- *How should a testing system account for students who use ESAs only part of the day?* A strong component of ESAs is their flexibility. It may be that, especially in high school, students use their ESA funds for only particular courses (though this could certainly be the case in middle and elementary school as well). How should state accountability regimes like CCRPI and future policies account for these situations?

One possible solution would be to emulate what Florida has done in the past with its choice programs, and require participating schools and/or students to take norm-referenced tests, either annually or within particular grade bands.[41] This type of testing regime still allows for results which can be compared to students across the country. It also allows for rigorous quantitative research to be done on the program to evaluate it over time.[42]

[40] For more discussion of the potential for fraud and abuse, and some possible solutions, see for example: http://www.heritage.org/research/reports/2013/07/expanding-education-choices-from-vouchers-and-tax-credits-to-savings-accounts#_ftn9
[41] http://www.floridaschoolchoice.org/information/CTC/norm_referenced_assessment.asp
[42] See Florida's most recent report, for example: http://www.floridaschoolchoice.org/pdf/FTC_Research_2012-13_report.pdf

Conclusion

Savings to the state, savings to local systems and a firewall of funding to protect local school systems against the loss of students, a plan to help all students prepare for postsecondary costs and to reduce student loan debt, a method to find individualized, tailored services for students who are not able to find a good fit within their existing public school systems, and an expansion of personal liberty – these are all potential benefits of a well-designed Education Savings Account program for Georgia.

A factory model of funding and schooling developed over 100 years ago and changed little since then makes no sense for Georgia today. Nearly 60 years ago, economist Milton Friedman wrote that,

> Government has appropriately financed general education for citizenship, but in the process it has been led also to administer most of the schools that provide such education. Yet, … the administration of schools is neither required by the financing of education, nor justifiable in its own right in a predominantly free enterprise society.[43]

Given the speed of technological changes, it is not possible to predict what students will want and need even five or 10 years from now. ESAs would give parents the flexibility to meet their students' needs by whatever new methods evolve over the next decade. This is a two-way street. New educational formats and schooling experiences could arise that may not be viable as a full traditional, charter or private school model, but could be viable if they could access a portion of parents' ESA funds.

Students would also see, from an early age, that college is an option for them, and that money can be set aside by even the poorest families to help them get there. All of this, while at the same time reducing the cost to the state of educating the public.

Any savings generated could be returned to the taxpayers, or used to support still-struggling traditional schools. Taking Arizona as a final example, many parents have been able to find schooling opportunities better suited to their students' needs with the help of ESAs, and the market to serve them is growing. As Howard Fuller suggests, when even the poorest families have the ability to opt out of the system, the system will react to serve them better, and that will benefit us all.

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[43] Friedman, M. (1955). "The role of government in education. From *Economics and the Public Interest*. http://www.edchoice.org/The-Friedmans/The-Friedmans-on-School-Choice/The-Role-of-Government-in-Education-(1995).aspx