



PRIVATE EDUCATION CHOICE

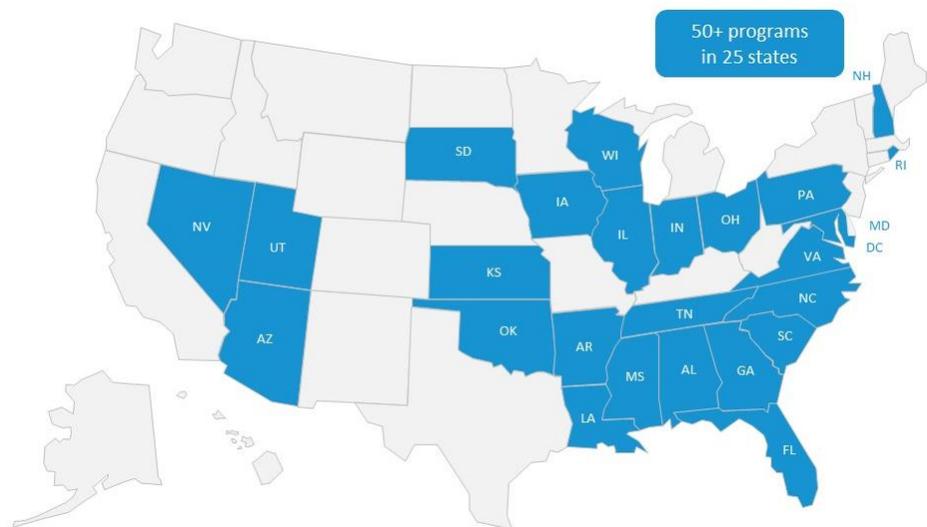
Vouchers, Tax-Credit Scholarships and ESAs

Every child deserves access to a quality education that provides the knowledge, skills and values necessary to prepare them for a successful career and fulfilling life. Unfortunately, far too many children are assigned to schools that don't fit their unique needs and learning styles. For too long in the United States, the only choice parents had to provide their child with a better education was to move to a new community with a school better suited to fit their needs—an option out of reach for millions of families without the resources to pick up and move.

ExcelinEd believes that families should have a wide range of high-quality schools to choose from—including open enrollment at public schools, charter schools, magnet schools, private schools and online options.

A key way to provide choice options to students for the past three decades has been the proliferation of private education choice programs across the country. Vouchers, tax-credit scholarships and education scholarship accounts (ESA) are the most common forms of private education choice.

Today, there are more than 450,000 students enrolled in more than 50 such programs in about half of the states.



VOUCHERS

Vouchers were the first form of private education choice, originally enacted in 1990 in Milwaukee, Wisconsin. The concept is simple and something that had been practiced in higher education for generations: instead of sending funding directly to schools, fund a child and allow them to take the funds to any eligible school of their choice. Currently there are 23 voucher programs in 13 states and Washington, DC.

TAX-CREDIT SCHOLARSHIPS

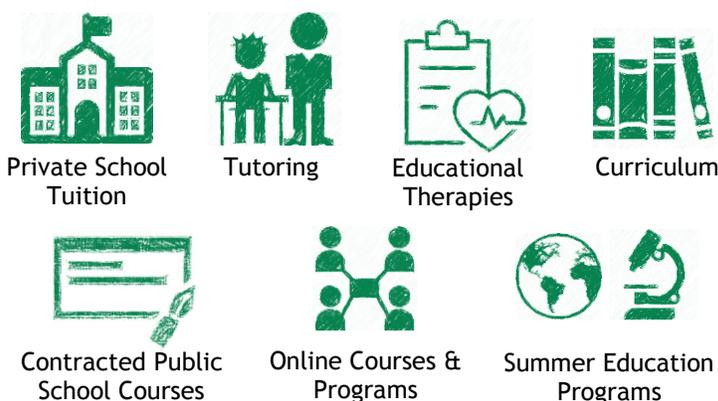
Tax-credit scholarships were created as an alternative to voucher programs. While the end result is the same—a scholarship to attend private school—tax-credit scholarships are *funded* much differently. Instead of using public funds, these programs incentivize individuals and businesses to donate private funds to a non-profit organization that provides tuition scholarships to eligible students. In exchange for their donations, donors receive a tax credit from the state—usually a 100 percent, dollar-for-dollar credit. Through this process, tax-credit scholarship programs use



entirely private funds and have consistently held up against lawsuits claiming that they utilize public funds. There are currently 21 tax-credit scholarship programs in 17 states.

EDUCATION SCHOLARSHIP ACCOUNTS (ESAs)

Through an ESA program, parents can sign up to have their child's education funding deposited into an account that they can use for multiple educational uses, including the ability to save for future K-12 and college expenses. ESAs create a system of education that is truly customized for each child. Under a system of state oversight, parents can direct ESA funds towards any combination of educational uses, including:



ESAs embrace **customization**. Instead of being relegated to “School A” or “School B,” parents have a full menu of options to choose from. A child can attend private school and receive speech therapy on the side. Another child can learn math and science online, English and history at home, see a tutor twice a week, and save leftover money for future education expenses. With an ESA, education is no longer “use it or lose it.” Parents decide where the best values are and can direct their child's funds in the most efficient way.

There are operational ESA programs in five states: Arizona (est. 2011), Florida (2014), Mississippi (2015), Tennessee (2015), and North Carolina (2017). A sixth program, in Nevada, was enacted in 2015 but has not been funded.

CHOICE IS GROWING

The future is bright for private education choice. Between 2012-2017, 23 private choice programs were enacted and enrollment in choice programs doubled: from 210,000 students in 2012 to nearly 450,000 students in 2017. Today, there are more than 50 programs in about half of the states. Education scholarship accounts have garnered the most interest, with legislation filed in more than 20 states in 2017-18.