

Education Savings Accounts and Accountability: A Landscape Analysis Across States

William Berry and Robin Chait

2024

Acknowledgment: The authors would like to acknowledge Aylin Bell, Aimee Evan, and Alicia Kielmovitch from WestEd and Michelle Exstrom from the National Conference of State Legislatures for their thoughtful review and feedback on the brief.

© 2024 WestEd. All rights reserved.



Suggested citation: Berry, W. & Chait, R. (2024). *Education savings accounts and accountability: A landscape analysis across states*. WestEd.

WestEd is a nonpartisan, nonprofit organization that aims to improve the lives of children and adults at all ages of learning and development. We do this by addressing challenges in education and human development, reducing opportunity gaps, and helping build communities where all can thrive. WestEd staff conduct and apply research, provide technical assistance, and support professional learning. We work with early learning educators, classroom teachers, local and state leaders, and policymakers at all levels of government.

For more information, visit [WestEd.org](https://www.wested.org). For regular updates on research, free resources, solutions, and job postings from WestEd, subscribe to the E-Bulletin, our semimonthly e-newsletter, at [WestEd.org/subscribe](https://www.wested.org/subscribe).

Table of Contents

Table of Contents	3
Introduction: The Current Landscape of Education Savings Accounts	5
Purpose and Audience of This Brief	8
Why Accountability, Transparency, and Data?	8
Private School Choice Models	9
Three Primary Types of Accountability Mechanisms	10
Academic accountability utilizes test scores and student performance to demonstrate the effectiveness of private school choice programs to parents and the public.	11
Financial accountability places guardrails around what private school choice program funds can be used on and ensures that funds are used for educational purposes only.	11
Data/reporting accountability provides information on user experiences to families and information on private school choice program user characteristics to policymakers and researchers.	12
Analysis of ESA State Statutes	13
Academic Accountability in Current State Statutes	13
Many ESA statutes require families to use ESA funds on materials and programs that focus on core academic subjects.	13
Most ESA programs have very flexible testing and assessment requirements.	13
Testing results are largely meant for informative purposes, with few direct accountability mechanisms.	14
Student academic portfolios are allowed in a small number of states.	15

Financial Accountability in Current State Statutes	16
ESA statutes generally provide lists of allowable uses of funds.	16
Few ESA statutes detail prohibited uses of funds.	17
Almost all ESA statutes call for audits, with varying levels of detail.	17
Data and Reporting Accountability in Current State Statutes and Annual Reports	18
Most ESA statutes require data collection and reporting to interest holders and the public.	18
Many states report data beyond what is required by statute via their annual or quarterly data reports.	19
Conclusion	22
References	23
Appendix: ESA Statutes Cited	26

Introduction: The Current Landscape of Education Savings Accounts

Education savings accounts (ESAs) are designed to provide families with greater flexibility in designing educational programs that meet the needs of their children outside of the public system (Goldstein, 2024; Stanford & Lieberman, 2023). Through ESAs, state¹ education funds that are allocated for a child to attend public school are transferred directly to the child’s family to use for the educational services of their choice.

In practice, ESAs are used for a variety of purposes, including private school tuition, direct tutoring services, educational learning devices, and distance learning (Ronco, 2024). More recently, groups of families have pooled together their separate ESA funds to fund start-up microschools and “learning pods,” which are arrangements in which small groups of families pool their resources to provide specialized educational services that align with their children’s individual needs (Campanella, 2024; Tarnowski, 2022). As these examples demonstrate, ESAs have been applied in a variety of different ways since their inception.

Beyond the variation in how ESAs are used, there is significant variation in the student populations that are eligible for ESA funds. Generally, states design ESA programs in two different ways:

- **Universal ESAs:** Provide ESA funds to all students in a state
- **Targeted ESAs:** Provide ESA funds to a specific group of students in a state

Of the two types of ESAs, targeted ESAs are the most common, with nine states having targeted ESAs and four states having universal ESAs (Table 1 lists the ESAs currently in operation). Groups served by targeted ESAs include students with disabilities, low-income students, and students who live within certain geographic boundaries in which the locally zoned schools are receiving failing accountability grades.

¹ Sometimes local funds can be used as well, but ESAs are primarily funded by state education funds.

Table 1. ESA Programs Currently in Operation

State	ESA name	Year enacted	Type	ESA amount (% of per pupil funding)
Arizona	Empowerment Scholarship Account	2011	Universal	90%
Arkansas	Children’s Educational Freedom Account Program	2023	Universal	90%
Florida	Family Empowerment Scholarship for Educational Options Program	2019	Universal	100%
Florida	Family Empowerment Scholarship for Students With Unique Abilities Program	2014	Targeted (Disability)	100%
Indiana	Indiana Education Scholarship Account Program	2021	Targeted (Disability & Income)	90%
Iowa	Education Savings Account Program	2023	Universal	100%
Mississippi	Equal Opportunity for Students With Student Needs Program	2015	Targeted (Disability)	<i>\$6,500²</i>
Montana	Montana Special Needs Equal Opportunity Education Savings Account Program	2023	Targeted (Disability)	N/A
New Hampshire	Education Freedom Account Program	2021	Targeted (Income-Limited)	100%
North Carolina	Education Student Accounts (ESA+)	2021	Targeted (Disability)	<i>\$9,000</i>

² In some cases, a fixed dollar amount is given for ESAs. These cases are included in this table in italics.

State	ESA name	Year enacted	Type	ESA amount (% of per pupil funding)
South Carolina	Education Scholarship Trust Fund	2023	Targeted (Income-Limited)	\$6,000
Tennessee	Education Savings Account (ESA) Pilot Program	2019	Targeted (Geographic)	100%
Tennessee	Individualized Education Account (IEA) Program	2015	Targeted (Disability)	100%
Utah	Utah Fits All Scholarship Program	2023	Universal	\$8,000
West Virginia	Hope Scholarship Program	2021	Universal	100%

Source: Education Commission of the States

ESAs have grown tremendously in both scope and number in the past few years. Aside from Arizona’s Empowerment Scholarship Account, which was enacted in 2011, many ESA programs are relatively recent. According to the National Conference of State Legislatures (2024), 13 states currently have ESA programs in operation.³ In the most recent (2024) legislative session, four states—Alabama, Georgia, Louisiana, and Wyoming—passed and enacted new ESA programs that will soon begin operation in their states (Tarnowski, 2024).

Beyond the creation of new ESA programs, there has been a flurry of legislative activity and public deliberation across state legislatures on the subject of ESAs. For example, in 2023, 36 states considered ESA bills (Ronco, 2024). According to EdChoice, 77 percent of the school choice bills considered in state legislatures across the nation in 2024 involved ESAs in some way (Tarnowski, 2024). In addition, existing ESAs are not static. Several existing programs have grown and expanded their eligibility criteria, with more and more students becoming eligible for ESA use each year. ESAs served over 326,400 students at the beginning of the 2023/24 school year (DiMarco & Cohen, 2024).

Given the rapid expansion of ESAs and the use of public dollars to support them, it is important to explore the kinds of accountability measures that are in place to ensure ESAs are serving their intended purpose.

³ Both Florida and Tennessee have two ESA programs.

Purpose and Audience of This Brief

Due to the relatively recent and fast growth of ESAs, there has been little in the way of systematic analysis of ESAs across states. Accordingly, this brief aims to help fill that gap in two ways:

- **Provide a policy snapshot of state ESA requirements focused on accountability and transparency.** This brief will describe and categorize these requirements, providing a systematic analysis of accountability provisions within state ESA statutes.
- **Establish the beginnings of a fact base of ESA data and reporting practices across states.** This will be done through an analysis of publicly available annual reports that state organizations publish on ESA student demographics, spending, and more.

Why Accountability, Transparency, and Data?

ESAs primarily use state education funds to support students' educational expenses. For public schools, federal law requires that states design accountability systems that include reporting on schools' student outcomes, assigning school ratings, and identifying schools in need of improvement (Hyslop & Zhou, 2024). However, for private school choice models and ESAs in particular, there is a wide range of accountability requirements in state statutes. This brief explores the continuum of accountability measures and identifies examples in which states incorporate additional measures of accountability through policy and regulation.

This brief's dual focus on **accountability and transparency requirements** and **data and reporting practices** is meant to inform the work of the following audiences:

- **state policymakers** who are charged with designing (and redesigning) ESA programs in their states
- **state legislatures** that are hearing ESA bills and would like to learn more about how other states are implementing ESA policies
- **researchers and data analysts** in state governments and external research institutions who are charged with evaluating ESA programs
- members of the **general public** who may wish to learn more about ESAs

This brief's two areas of focus—(a) accountability and transparency requirements and (b) data and reporting practices—interact with one another. First, if state policymakers focus attention on accountability and transparency provisions for ESAs, they can require programs to collect high-quality data and information, which state and external researchers can then use to generate more sophisticated evidence and evaluations. State policymakers can then use this research to inform updated policies that ensure ESA funds are used in alignment with state policy and public will.

The following sections of this brief summarize what is known about existing private school choice models, analyze the accountability and reporting provisions in state ESA statutes, share information about public reporting on ESA programs that is not required by statute, offer some examples of accountability provisions, and finally, discuss trends and findings.

Private School Choice Models

ESAs represent a relatively recent development within private school choice models. They build upon earlier iterations of private school choice, such as private school vouchers, tax-credit scholarships, tax credits or deductions, tax-exempt education savings accounts, and homeschooling (DiMarco & Cohen, 2024; EdChoice, 2024a). Table 2 briefly describes each model of private school choice.

Table 2. Current Models of Private School Choice

Model	Description
Private school vouchers	Private school vouchers provide state education funding to families to cover all or a portion of a student’s education costs. Parents can apply these vouchers toward private school tuition. Currently, there are 25 voucher programs across 16 states, according to EdChoice, an organization that monitors and supports school choice initiatives (EdChoice, 2024b).
Tax-credit scholarships	Tax-credit scholarships provide tax credits to individuals and businesses when they donate to nonprofit organizations that provide students with scholarships to pay for private school tuition (EdChoice, 2024a; DiMarco & Cohen, 2024). Twenty states offer tax credit scholarships (EdChoice, 2024a).
Tax credits and deductions	Some states also offer tax credits and deductions to families for “approved educational expenses, which can include private school tuition, books, supplies, computers, tutors and transportation” (EdChoice, 2024a, para. 1). Ten states offer this type of mechanism for funding educational expenses (EdChoice, 2024a; DiMarco & Cohen, 2024).
Tax-exempt savings accounts	Tax-exempt savings accounts, such as 529 plans and Coverdell savings accounts, allow families to save pre-tax dollars for educational expenses. While 529 plans were previously used only for college expenses, they can now be used for both K–12 and college expenses (DiMarco & Cohen, 2024).

Model	Description
Homeschooling	Homeschooling allows families to design their own unique education programs for their own children. This type of education typically is done in students' homes and is regulated differently by various states (EdChoice, 2024a).

ESAs are unique among private school choice programs due to their versatility, combined with their use of public funds. Vouchers and tax-credit scholarships are largely restricted to covering private school tuition and a select number of related expenses. ESAs, on the other hand, allow recipients to use public funds for a wider array of educational services such as tutoring expenses, educational software, and curriculum materials. This contrasts with other programs such as tax-credit scholarships and tax-exempt savings accounts that involve personal contributions to educational accounts but are supplemented by state support in a more roundabout way through tax benefits. On the further end of the flexibility spectrum, homeschooling gives families great flexibility in how they will fashion their children's educational experience but requires families to use private funds (DeGrow, 2023; DiMarco & Cohen, 2024; Stanford & Lieberman, 2023).

Three Primary Types of Accountability Mechanisms

WestEd analysts examined the state statutes of existing ESA programs, as well as studies and analyses of private school choice programs, to develop a framework with which to discuss ESA accountability and transparency requirements in this brief. Through this process, WestEd analysts identified three types of accountability mechanisms⁴ that commonly appeared in these texts:

- **academic accountability**
- **financial accountability**
- **data/reporting accountability**

⁴ The three accountability lenses were chosen by scanning ESA state statutes and browsing previous analyses of private school choice programs. WestEd analysts also consulted previous analyses of other types of private school choice programs (see Table 1) to identify other potential types of accountability provisions to apply to ESA statutes. Generally, this process further corroborated the frame described above. For example, a 2017 Government Accountability Office report on accountability and

Although these are three distinct categories, there is some overlap between them, since the data that programs must report include academic and financial metrics. Each of these accountability mechanisms are described in more detail below.

Academic accountability utilizes test scores and student performance to demonstrate the effectiveness of private school choice programs to parents and the public.

Academic accountability is by far the most applied accountability mechanism in private school choice programs. There is an abundance of literature examining the efficacy of private school choice programs (particularly school vouchers) by analyzing standardized testing outcomes of students who receive funds to attend private schools (Gegenheimer & Springer, 2020).

In general, the literature on academic accountability for private school choice programs places policies such as ESAs, tax credits, and vouchers in the middle of a spectrum, with public charter schools on one end of the spectrum (high accountability) and pure private school and homeschooling on the other end (low accountability). Standardized test results are considered a helpful measure to determine whether investments in private school choice are worth the returns (Dynarski & Nichols, 2017). Proponents of the use of standardized tests in private school choice programs argue that the existence of valid and reliable information on student outcomes will help policymakers course correct to address market inefficiencies (Glenn, 2013). Others believe that families are the best judges of whether their child is learning and are concerned that the use of standardized assessments would constrain the curricula of private schools (Cowen, 2020).

Financial accountability places guardrails around what private school choice program funds can be used on and ensures that funds are used for educational purposes only.

ESA programs are designed to provide freedom and flexibility in how funds are used, while also ensuring that taxpayer funds are not spent on items that have no educational benefit. Financial accountability in ESAs and other private school choice programs seek to establish a set of guardrails around how funds can be spent.

transparency in private school choice programs applied a frame with three separate lenses: academic, financial, and administrative.

Financial accountability is typically applied in private school choice programs to ensure that the institutions receiving funds are fiscally sound and run a low risk of defrauding the state of funds (Nowicki, 2017). Examples of traditional financial accountability mechanisms include requiring schools that receive funds to have operated for a certain number of years to prove their fiscal soundness (Nowicki, 2017). Another accountability mechanism referenced in the Government Accountability Office is the issuance of surety bonds to ensure that the state will be covered for any potential losses.

However, these types of accountability mechanisms are difficult to apply in ESAs since families are the ultimate end users of funds. Generally, financial accountability in ESA programs involves careful reviews of families' spending (this will be discussed in more detail in the Analysis of ESA State Statutes section).

Data/reporting accountability provides information on user experiences to families and information on private school choice program user characteristics to policymakers and researchers.

This type of accountability was summed up by Andy Rotherham in a 2003 brief for the Thomas B. Fordham Institute: "Information helps markets work." This statement, when applied to ESAs, suggests that ESA programs will improve in the long run if the public has ample access to information on how ESAs are used, who uses them, and what results from their use. Generally, data/reporting accountability involves providing information to two main audiences:

- **ESA users (i.e., families and parents):** States envision that ensuring information is available to families will help families make more informed and strategic decisions on how and where to use their funds. States intend this type of information—whether it be test results, satisfaction surveys, or other types of data—to function in a manner similar to Amazon or Yelp reviews that would help parents and families avoid services that other families did not find satisfactory and instead gravitate toward those services that other families were pleased with (Bailey, 2017).
- **Policymakers and researchers:** Aggregated data on ESA recipients' achievement levels, demographics, income levels, and other characteristics are seen as a way to ensure that ESA programs as a whole remain accountable to the public (Levesque, 2024). Additionally, third-party researchers have utilized this type of information to determine the impact of ESAs (and other private school choice programs) on important policy issues such as racial and socioeconomic segregation.

Analysis of ESA State Statutes

This section provides an analysis of accountability provisions within state statutes for the 15 ESA programs that currently exist in the United States. This analysis is categorized according to the three types of accountability discussed in the prior section: academic, financial, and data/reporting. It offers findings and commonalities among state provisions within each of these areas.

Academic Accountability in Current State Statutes

Many ESA statutes require families to use ESA funds on materials and programs that focus on core academic subjects.

As a condition of receiving ESA funds, several ESA statutes require parents to agree to only use funds on core academic subjects. Generally, this language states that parents must “at least” or “at a minimum” use ESA funds to provide an education in the core subjects of English/reading, mathematics, social studies, and science. All nine of the ESA statutes that have this requirement list these four core subjects. While some states add subjects such as history, government, or the arts, the emphasis on core subjects is consistent across ESA statutes. Additionally, certain states, such as North Carolina, stipulate a minimum number of instructional days per semester to ensure regular education throughout the academic year. These provisions attempt to ensure that ESA funds support a core academic program.

Most ESA programs have very flexible assessment requirements.

The state statutes of 14 of the ESA programs have some sort of requirement for recipients to take a state or national norm-referenced assessment to provide families with information on student learning. Several states (Arkansas, Florida, Indiana, New Hampshire, South Carolina, and West Virginia) provide families with the flexibility to choose between state and norm-referenced exams to meet this requirement.

Families of students with disabilities generally have more flexibility with respect to this accountability mechanism. For example, Indiana’s ESA program (which is specifically for students with disabilities) allows for an alternative assessment to be used if a student’s individualized education plan (IEP) deems traditional standardized testing to be inappropriate. Florida, Tennessee (in both programs), South Carolina, and Utah all allow for testing exemptions for students whose IEPs deem standardized testing inappropriate.

Testing results are largely meant for informative purposes, with few direct accountability mechanisms.

Assessment requirements under ESAs seem to be designed to provide information to parents and the general public, who will then make their own decisions regarding whether to participate in the ESA program (in the case of parents) or fund it further (in the case of the general public). There is only one state, West Virginia, that has explicit benchmarks that recipients must meet as a requirement of use (see the text box *State Spotlight: West Virginia's Academic Performance Benchmarks for Students*). Florida, Iowa, South Carolina, and Tennessee's state statutes explicitly require that participating private schools report testing results to parents. South Carolina's statute requires that participating private schools submit a written report on testing results to parents.

Arkansas, Florida, Iowa, and West Virginia's ESA statutes require that private schools report assessment results to higher state entities for broader study, analysis, and public reporting. For instance, in Florida, private schools that receive ESA funds must report all test results to a state university. Meanwhile, in West Virginia, schools must report ESA students' test results to the local superintendent, who then sends these test results to the state department of education. Notably, the Iowa Code (n.d.) requires that schools report test results to the state department of education, which will then "compile all such reported assessment results in order to analyze student proficiency and academic progress among those pupils participating in the program, including analysis of graduation rates, proficiency, and progress based on grade level, gender, race, and household income level" (Iowa Code § 257.11B).

Generally, ESA statutes have academic accountability provisions that include reporting requirements that pool ESA students' progress into a comprehensive report, which the state often distributes to the public.

State Spotlight: West Virginia (Hope Scholarship Program)

Academic Performance Benchmarks for Students

The statutory language for West Virginia’s Hope Scholarship program requires that students who are participating in an individualized instruction plan must take a nationally norm-referenced exam and must score at least within or above the 4th stanine (which is part a statistical scale that ranges from 1 to 9).

In cases in which a student’s score is below the 4th stanine, the student’s score must demonstrate growth from the previous year’s score. The statute does not explicitly detail what will occur if a student fails to meet these requirements.

Alternatively, West Virginia students are allowed to submit a portfolio of student work to a certified teacher. This option will be discussed in more detail below.



Student academic portfolios are allowed in a small number of states.

The ESA statutes for New Hampshire, Utah, and West Virginia allow for portfolios of student work to suffice for meeting academic performance requirements for ESA recipient students. New Hampshire and West Virginia both allow for the portfolio option to be submitted in lieu of an ESA recipient’s submission of standardized test scores. Both New Hampshire and West Virginia allow for a certified teacher to review a portfolio of a student’s academic work for the year and grant approval of satisfactory, grade-level performance. The New Hampshire statute allows for a private school teacher to perform this task as well.

State Spotlight: New Hampshire (Education Freedom Account)

Portfolio of Student Work to Demonstrate Educational Attainment

New Hampshire requires that students participating in its Education Freedom Accounts provide “an annual record of educational attainment” to the scholarship organization that manages the ESA funds. The statute provides several options for this annual record, including

- a nationally standardized norm-referenced assessment,
- the state assessment, or
- a portfolio of student work.

The portfolio must include “a log which designates by title the reading materials used; samples of writings, worksheets, workbooks, or creative materials used or developed by the student” (New Hampshire Revised Statutes, n.d., Chapter 194-F, Section 194-F:3). A teacher, who is selected by the parent, must evaluate the portfolio and have a discussion with the parent or student (presumably about the student’s performance). The teacher must be either certified or teaching in a private school.



Financial Accountability in Current State Statutes

ESA statutes generally provide lists of allowable uses of funds.

The statutes of all ESA programs contain language that explicitly specifies what types of services and materials ESA funds can be used for. Expenses commonly allowed by most ESA statutes include the following:

- **private school tuition and fees**
- **textbooks**
- **educational therapies** (e.g., speech-language, occupational, and behavioral therapies)
- **fees for standardized tests**
- **tutoring services**
- **educational technology** (e.g., computer hardware and software)
- **curriculum and supplementary materials**
- **specialized services** (e.g., services for students with disabilities)
- **transportation** (including transportation to and from service providers)

- **online learning programs**
- **services from public schools** (e.g., individual classes, extracurricular activities)

Other allowable expenses that appear less frequently among the state statutes follow:

- **summer education program fees** (Florida, Tennessee, and West Virginia)
- **after-school program fees** (Florida and West Virginia)
- **industry-recognized job and workforce credentials—exams and training** (Indiana, Florida, and West Virginia)

Few ESA statutes detail prohibited uses of funds.

While almost all ESA statutes detail allowable uses of funds, only 3 of the 15 state statutes explicitly list expenses that ESA funds cannot be used for. Across these 3 statutes, commonly prohibited uses of funds include the following:

- **noneducational consumer electronics**
- **consumable educational supplies** (e.g., art supplies, markers)
- **noneducational costs** (e.g., refreshments, clothing)

Beyond total bans on certain types of purchases, ESA statutes sometimes place cost limits on certain purchases. ESA statutes generally place limits on the amount of ESA funds that families can use for transportation costs to service providers. For example, Indiana places a \$750 limit on transportation spending for ESA recipients. Additionally, Montana is unique in that it allows for ESA funds to be applied to consumable supplies such as art supplies and markers as long as the amount does not exceed \$50.

Much of the language regarding allowable and prohibited uses of funds under ESA statutes is open to interpretation. This is likely why ESA statutes generally contain expansive language regarding the auditing powers and authorities of ESA administrators.

Almost all ESA statutes call for audits, with varying levels of detail.

All but 2 of the 15 ESA statutes contain explicit language calling for audits of their state's ESA programs. These audits are meant to ensure that ESA funds are used for their stated purpose. Statutes generally give states the power to revoke ESAs from individuals who use ESA funds improperly.

The following states require **annual audits** of ESA programs: Arizona, Arkansas, Indiana, New Hampshire, North Carolina, South Carolina, Tennessee (ESA Pilot), and Utah. Additionally, the statutes of these five states require **random audits** of ESA spending: Mississippi, North Carolina, South Carolina, Utah, and West Virginia.⁵

In statutes in which audit requirements are not explicitly articulated, ESA statutory language regarding how and when audits will occur is somewhat vague. In these cases, the statutes include language such as ESAs being “subject to” auditing or ESA administrators having the “power to” conduct an audit.

Almost all the ESA statutes grant ESA administrators the authority to contract with an independent entity to conduct its audit of ESA spending.

Data and Reporting Accountability in Current State Statutes and Annual Reports

Most ESA statutes require data collection and reporting to interest holders and the public.

ESA statutes generally mandate some form of data collection and public reporting to monitor ESA funds. Many states are required to collect data on various aspects of their ESA programs, such as student assessment results, graduation rates, program expenditures, and the types of services provided. There is significant variation across states for which data and information they decide to release to the public.

While this form of accountability is less direct than the traditional academic and financial accountability mechanisms associated with private school choice, the types of information transparency mandated by these statutes ensures that information about ESA programs is shared with various interest holders, including the public and each state’s governor and legislators. However, some states publish information beyond what is required by statute, as explained in the next section.

⁵ In the cases of North Carolina and South Carolina, which require both annual and random audits, their statutes require the random audits to occur on a random basis.

Many states report data beyond what is required by statute via their annual or quarterly data reports.

Various states’ ESA statutes require states to publish data in publicly available quarterly or annual reports on their websites or through reports submitted to legislative committees or other state entities. Frequently, these annual reports published data that surpassed what was required by their state statutes.

WestEd reviewed the annual reports of the following states: Arizona, Florida, Indiana, New Hampshire, North Carolina, Tennessee (ESA Pilot), and West Virginia.⁶ Given how recently the statutes were enacted, many states have only recently released their first or second rounds of publicly available data. Table 3 includes examples of the types of data—data on academic achievement, student characteristics, and finances—published in states’ reports.

Table 3a. ESA Annual Report Data Reporting Landscape—Academic Achievement Data
(Provides information on the academic achievement of the state’s ESA students on standardized tests)

Type of content	AZ	FL	IN	NC	NH	TN (ESA Pilot)	WV
Test score achievement in participating schools		✓				✓	
Test score achievement in participating schools (disaggregated)		✓				✓	

⁶ Iowa, Montana, South Carolina, and Utah are not included here since their ESAs were enacted in 2023 and thus were not yet available. Additionally, analysts were unable to locate an annual report for Mississippi.

Table 3b. ESA Annual Report Data Reporting Landscape—Student Characteristics Data
(Provides information on the demographic and geographic characteristics of the state’s ESA students)

Type of content	AZ	FL	IN	NC	NH	TN (ESA Pilot)	WV
Grade level	✓		✓	✓	✓		✓
Gender			✓		✓		
Race/ethnicity			✓	✓	✓		✓
Disability type (e.g., autism, hearing impairment)	✓						
Participation by location (e.g., ZIP code, county, zoned school district)	✓		✓	✓			✓
Participation by prior school type attendance (e.g., public, private, charter)	✓		✓				
Participation by previous year’s ESA usage			✓		✓		

Table 3c. ESA Annual Report Data Reporting Landscape—Financial Data
(Provides information on what ESA funds are spent on and where they are spent)

Type of content	AZ	FL	IN	NC	NH	TN (ESA Pilot)	WV
Spending per private school			✓				✓
Spending by purchase types	✓						✓
Location of financial transaction							✓

Source: Arizona Department of Education, n.d.; Dyehouse et. al., 2021; Hope Scholarship Program (2023); Indiana Department of Education, 2023b; New Hampshire Department of Education, 2024a, New Hampshire Department of Education, 2024b; North Carolina State Education Assistance Authority, n.d.; Tennessee Department of Education, 2023

Note. The check marks (✓) denote the presence of that type of content in that state’s respective ESA annual reporting.

State Spotlight: Indiana's Annual Reporting

Composite Data Profile of Average ESA Student

To date, the Indiana Department of Education has published two annual reports for its ESA program (Indiana Department of Education, 2023a; Indiana Department of Education, 2023b). These annual reports are among the most comprehensive across all states, with detailed student counts and percentages of ESA student characteristics, including grade level, gender, geographic location, race/ethnicity, previous ESA usage, and grade.

Notably, Indiana's annual report is unique in that it provides a few paragraphs describing the "average" ESA student recipient based on the quantitative information described above. The report states that "average" is defined as "the most common descriptor within each data set."

The report then describes the gender, grade level, race/ethnicity, and geographic area of this "average" student.



Conclusion

As shown by the range of accountability requirements for ESA programs and the types of data that states have publicly reported about these programs, there is significant variation in ESAs' accountability and transparency measures. Because ESAs are regularly changing and growing, the various ESA statutes and accountability mechanisms explored in this brief can provide rich sources of ideas and approaches for policymakers and others to consider as ESAs continue to expand.

References

- Arizona Department of Education. (n.d.). *ESA FY24 Q4 executive legislative report*. <https://www.azed.gov/sites/default/files/2024/08/ESA%20FY24%20Q4%20Executive%20Legislative%20Report.pdf>
- Arizona Department of Education. (n.d.). *Q3 FY2024 ESA report to Arizona State Board of Education*. https://www.azed.gov/sites/default/files/2024/08/Q3%20FY2024%20ESA%20Report_SBE.pdf
- Bailey, J. (2017). The ESA administrator's dilemma: Tackling quality control. In *Education savings accounts: The new frontier in school choice* (pp. 83–102). Rowman & Littlefield.
- Campanella, A. (2024). *Microschools take center stage with new opportunities for learning for 2024*. The 74 Million. <https://www.the74million.org/article/microschools-take-center-stage-with-new-opportunities-for-learning-for-2024/>
- Cowen, J. M. (2020). The new politics and governance of school vouchers: Outcomes and oversight in an era of at-scale choice. In *Handbook of research on school choice* (pp. 192–201). Routledge.
- DeGrow, B. (2023). *How school choice programs interact*. ExcelinEd. <https://excelined.org/2023/06/08/how-school-choice-programs-interact/>
- DiMarco, B., & Cohen, L. (2024). *The new wave of public funding of private schooling, explained*. <https://www.future-ed.org/the-new-wave-of-public-funding-of-private-schools-explained/>
- Dyehouse, M., Morshed, M. N., & Herrington, C. D. (2021). *Evaluation of the Family Empowerment Scholarship for Educational Options Program: Participation, compliance and test scores in 2020–21*. <https://www.fldoe.org/core/fileparse.php/5606/urlt/FES-Report2021.pdf>
- Dynarski, M., & Nichols, A. (2017). More findings about school vouchers and test scores, and they are still negative. *Evidence Speaks*, 2(18), 1–9.
- EdChoice. (2024a). *Types of school choice*. <https://www.edchoice.org/school-choice/types-of-school-choice/>
- EdChoice. (2024b). *What are school vouchers?* <https://www.edchoice.org/school-choice/types-of-school-choice/what-are-school-vouchers-2/>
- ExcelinEd. (2024). *Tax credit scholarships*. <https://excelined.org/policy-playbook/tax-credit-scholarships/>

Gegenheimer, K., & Springer, M. G. (2020). Voucher outcomes. In *Handbook of research on school choice* (pp. 226–237). Routledge.

Glenn, C. L., Jr. (2013). *School choice and accountability: Finding the right balance*. Thomas B. Fordham Institute. <https://fordhaminstitute.org/national/commentary/school-choice-and-accountability-finding-right-balance>

Goldstein, D. (2024, June 17). Public funding, private education. *The New York Times*. <https://www.nytimes.com/2024/06/17/briefing/public-funding-private-education.html>

Hope Scholarship Program. (2023). Hope Scholarship, West Virginia: Annual report for the 2022–2023 academic year. <https://hopescholarshipwv.com/Portals/HopeScholarship/content/Documents/Reports/Hope%20Scholarship%2022-23%20Annual%20Report.pdf?ver=b00P-zWfqfcR8bu4OzkZdg%3d%3d>

Hyslop, A., & Zhou, Z. (2024). *When equity is optional: Does accountability drive school spending?* <https://all4ed.org/publication/when-equity-is-optional-does-accountability-drive-school-spending/>

Indiana Department of Education. (2023a). *2022–2023 Education Scholarship Account (ESA) Program: Annual report*. <https://www.in.gov/tos/inesa/files/IDOE-2022-2023-ESA-Annual-Report.pdf>

Indiana Department of Education. (2023b). *Education Scholarship Account (ESA) Program: 2023–2024 annual report*. <https://www.in.gov/doe/files/2023-2024-ESA-Annual-Report.docx.pdf>

Iowa Code § 257.11B (2023). <https://www.legis.iowa.gov/docs/code/257.11B.pdf>

Levesque, P. (2024). *From state to parent accountability: A continuum of smart options for regulation and oversight in school choice*. ExcelinEd. <https://excelined.org/2024/02/15/from-state-to-parent-accountability-a-spectrum-of-smart-options-for-regulation-and-oversight-in-school-choice/>

National Conference of State Legislatures. (2024). *50-state comparison: Private school choice*. <https://www.ecs.org/50-state-comparison-private-school-choice-2024/>

New Hampshire Department of Education. (2024a). EFA by municipality as of April 1, 2024. <https://www.education.nh.gov/sites/g/files/ehbemt326/files/inline-documents/sonh/efa-by-muni-as-of-04-01-2024.pdf>

New Hampshire Department of Education. (2024b). *Final 2024 EFA fact sheet* [Revised January 18, 2024]. https://www.education.nh.gov/sites/g/files/ehbemt326/files/inline-documents/sonh/final-2024-efa-fact-sheet_revised-1-18-24-002.pdf

New Hampshire. (n.d.). RSA Chapter 194-F:1 to 194-F:14. New Hampshire General Court. Retrieved from: <https://www.gencourt.state.nh.us/rsa/html/XV/194-F/194-F-mrg.htm>

North Carolina State Education Assistance Authority. (n.d.). North Carolina education student accounts (ESA): Summary of data. <https://www.ncseaa.edu/education-student-accounts-esa-summary-of-data/>

Nowicki, J. M. (2017). *Private school choice: Federal actions needed to ensure parents are notified about changes in rights for students with disabilities*. Report to congressional requesters. (GAO-18-94). U.S. Government Accountability Office. <https://www.gao.gov/assets/d1894.pdf>

Ronco, E. (2024). *State actions on education savings accounts*. National Conference of State Legislatures. <https://www.ncsl.org/education/state-actions-on-education-savings-accounts>

Rotherham, A. J. (2003). *On vouchers and accountability*. Thomas B. Fordham Institute. <https://fordhaminstitute.org/national/commentary/vouchers-and-accountability>

Stanford, L., & Lieberman, M. (2023, March 27). Education savings accounts, explained. *Education Week*. <https://www.edweek.org/policy-politics/education-savings-accounts-explained/2023/03>

Tarnowski, E. (2022). *What are microschoools?* EdChoice. <https://www.edchoice.org/engage/microschoools-what-are-they-what-do-they-cost-and-whos-interested/>

Tarnowski, E. (2024). *State of choice: 2024 legislative session in review*. EdChoice. <https://www.edchoice.org/engage/state-of-choice-2024-legislative-session-in-review/>

Tennessee Department of Education. (2023). *Tennessee Education Savings Account Annual Report*. https://www.tn.gov/content/dam/tn/education/esa/ESA_Annual_Report_2022-23.pdf

Appendix: ESA Statutes Cited

This policy brief drew from the ESA state statutes listed below.

State	ESA name	Cited state statute*
Arizona	Empowerment Scholarship Accounts	Ariz. Rev. Stat. §§ 15-2401–2404
Arkansas	Children’s Educational Freedom Account Program	Arkansas Code §§ 6-18-2501–6-18-2511
Florida	Family Empowerment Scholarship for Educational Options Program	Fla. Stat. § 1002.394
Florida	Family Empowerment Scholarship for Students With Unique Abilities Program	Fla. Stat. § 1002.385
Indiana	Indiana Education Scholarship Account Program	Ind. Code § 20-51.4
Iowa	Education Savings Account Program	Iowa Code § 257.11B
Mississippi	Equal Opportunity for Students With Student Needs Program	Miss. Code Ann. §§ 37-181-1–37-181-23
Montana	Montana Special Needs Equal Opportunity Education Savings Account Program	Mont. Code Ann. §§ 20-7-1701–20-7-1710
New Hampshire	Education Freedom Account Program	N.H. Rev. Stat. § 194-F: 1–12
North Carolina	Education Student Accounts (ESA+)	N.C. Gen. Stat. § 115C-592
South Carolina	Education Scholarship Trust Fund	South Carolina Code § 59-8-110
Tennessee	Education Savings Account Pilot Program	Tenn. Code Ann §§ 49-6-2601–49-6-1612
Tennessee	Individualized Education Account Program	Tenn. Code Ann §§ 49-10-1401–49-10-1406

State	ESA name	Cited state statute*
Utah	Utah Fits All Scholarship Program	Utah Code §§ 53F-6-401–53F-6-414
West Virginia	Hope Scholarship Program	West Virginia §18-31

* Many state statute citations were located on the EdChoice webpage, [What is an Education Savings Account \(ESA\)?](#)

