



EDUCATION SAVINGS ACCOUNTS

Michael Q. McShane

THE PROBLEM: Missouri students are underperforming. On the 2015 NAEP exam, only 31 percent of Missouri 8th-graders were found proficient in Math and only 36 percent were found proficient in English. For the Class of 2016, only 22 percent of Missouri ACT test-takers scored “college-ready” in all four tested subjects. Many students are trapped in failing schools via residential assignment and have no opportunity to pursue a better education.

THE SOLUTION: *Tax-credit funded education savings accounts (ESAs).*

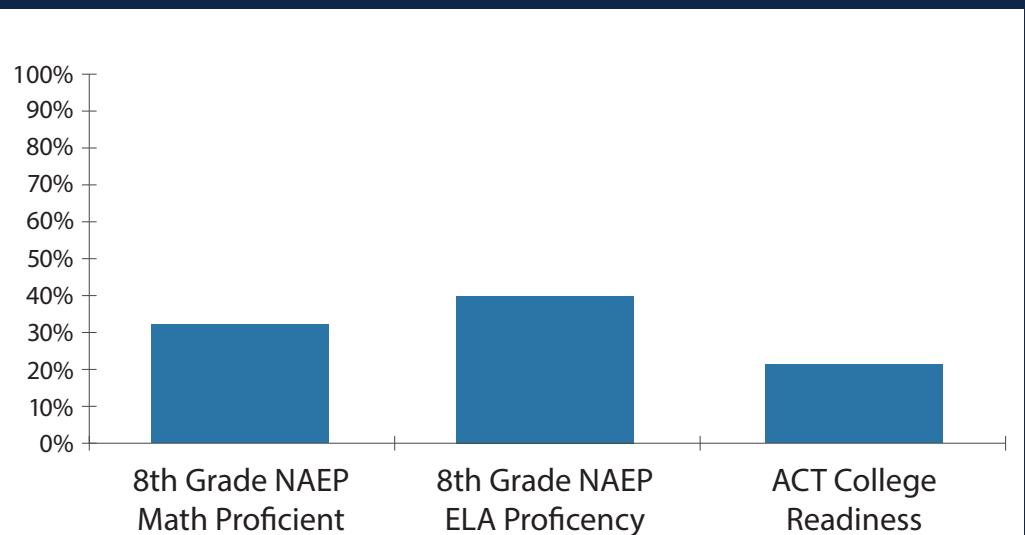
ESAs are flexible-use savings accounts used solely for education purposes. Individuals or corporations would donate to organizations that manage these accounts and families could use those funds to purchase school supplies, tutoring services, or even private school tuition.

WHO ELSE DOES IT? Five states have ESA programs: Arizona, Florida, Mississippi, Nevada, and Tennessee. Seventeen states have tax credit-funded scholarships: Alabama, Arizona, Florida, Georgia, Indiana, Iowa, Kansas, Louisiana, Montana, Nevada, New Hampshire, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, and Virginia.

THE OPPORTUNITY: Missouri is one of the few states that does not have some kind of private school choice program. It does, however, have a large stock of private schools, and through MoVIP (the Missouri Virtual Instruction Program) we have a curated and vetted set of online courses that are turn-key ready for Missouri students to use. The supply is waiting; we can help connect it to the demand.

2016 NAEP* EXAM RESULTS

Most of Missouri's students aren't ready for high-school work by 9th grade, and aren't ready for college upon graduation.



**National Assessment of Educational Progress*

KEY POINTS

- Many Missouri students are not being prepared for success.
- As educational options for students expand, parents should have the flexibility to customize their children's education.
- ESAs are popular. According to polling by EdChoice, 49 percent of Americans support ESAs, and only 27 percent oppose them.
- ESAs have the potential to save both the state and school districts money.

SHOW-ME INSTITUTE RESOURCES

Essay: [“Estimating the Fiscal Impact of a Tax-Credit Scholarship Program”](#)

Video: [“ESAs Empower Families in Arizona”](#)

Blog post: [“ESAs Can Help Missouri Students with Dyslexia”](#)

Blog post: [“Empowerment Scholarship Accounts Would Be a Boon to Missourians”](#)

Blog post: [“Do You Hear That? It’s the Drumbeat of School Choice Getting Louder”](#)

Scan this QR Code for an electronic version of this article and a link to our other Missouri Blueprint pieces.



5297 Washington Place | Saint Louis, MO 63108 | 314-454-0647
3645 Troost Avenue | Kansas City, MO 64109 | 816-561-1777

Visit Us:
showmeinstitute.org

Find Us on Facebook:
facebook.com/showmeinstitute

Follow Us on Twitter:
twitter.com/showme
