



# EDUCATION SAVINGS ACCOUNTS

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**THE PROBLEM:** Missouri students are underperforming. On the 2015 NAEP exam, only 31% of Missouri 8th-graders were found proficient in math and only 36% were found proficient in English. For the Class of 2016, only 22% of Missouri ACT test-takers scored “college-ready” in all four tested subjects. Many students from poor or middle-class families are trapped in failing schools because of where they live and have no opportunity to pursue a better education.

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

Education savings accounts (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 the funds to purchase school supplies, tutoring services, or even private school tuition.

**WHO ELSE DOES IT:** Six states have ESA programs, and 17 states have tax credit-funded scholarships.

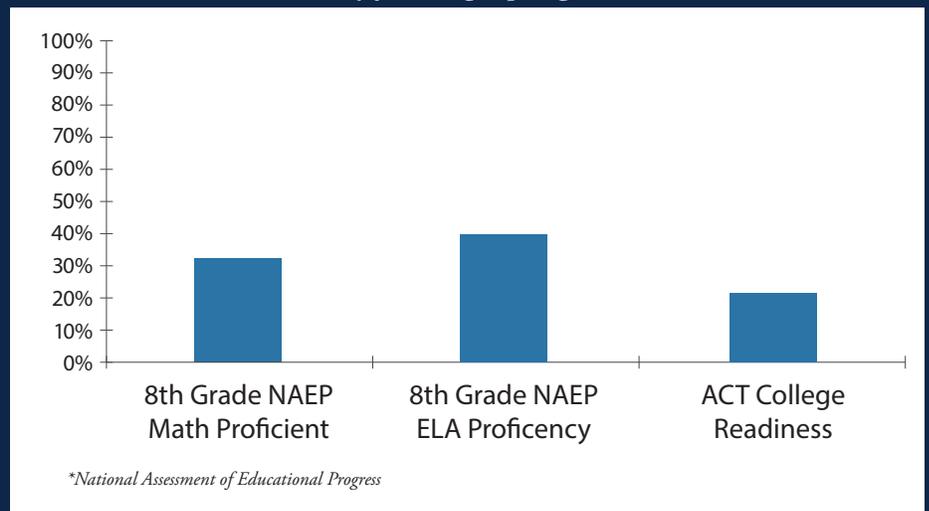
**THE OPPORTUNITY:** Missouri is one of the last states without some kind of private school choice program. It does, however, have a large stock of private schools, and through the Missouri Virtual Instruction Program we have a vetted set of online courses that are ready for Missouri students to use. The supply is waiting; we just need to connect it to the demand.

## 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.

## 2015 NAEP\* AND CLASS OF 2016 ACT 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.*



*Source: Missouri Department of Elementary and Secondary Education.*

- ESAs are popular. According to polling by the education organization EdChoice, 49% of Americans support ESAs, and only 27% 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”

**Blog Post:** “ESAs Can Help Missouri Students with Dyslexia”

**Blog Post:** “Empowerment Scholarship Accounts Would Be a Boon to Missourians”

**Video:** “ESAs Empower Families in Arizona”