

# Education Savings Accounts

## A SOLUTION TO HELP RURAL IOWANS

Education savings accounts (ESA) can help more Iowa families tailor their children's education to what best fits their needs—no matter their geographic location or socioeconomic background.

### Rural Iowans Face Unique Education Challenges

Iowa's population is 43% rural and unfortunately, many of Iowa's lowest rated school districts are located in rural counties. These rural areas often offer fewer educational choices for parents—at price points many families cannot afford.

Rural parents are much more likely to change jobs or move closer to a better school in order to support their children's education.

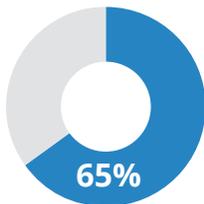
In addition to struggling with fewer choices than their urban counterparts, rural students make up the lowest proportion of American college students. Fifty-nine percent of rural high school graduates attend college after graduation, compared to 62% of urban and 67% of suburban graduates.<sup>2</sup>

Rural Iowans know ESAs can help more students succeed—that's why 65% of rural Iowans support ESAs.<sup>3</sup>

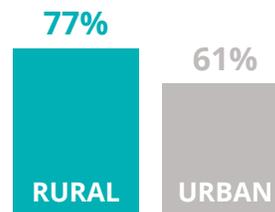
ed•u•ca•tion  
sav•ings ac•count  
(ESA)

*noun*

an account funded by a portion of state taxes set aside for education that families can use to customize their child's education through approved services such as tuition, tutoring, and post-secondary preparatory services



Nearly two-thirds of rural Iowans support ESAs.



77% of rural parents say they have moved closer to a child's school as opposed to 61% of urban parents<sup>1</sup>

### IOWANS SAY



Closer to us is a very good Catholic high school in Council Bluffs, that we would love to send our kids to. Unfortunately, the tuition is very expensive and it is currently outside of our budget. There are less expensive options in Nebraska, but we don't want to send our son across the state line every day. **Education savings accounts would make it possible for my kids to attend the school that best fits them.** The majority of our community is very happy with the local public school, and that's fine, but there are many of us are looking for an alternative that is more in tune with our children's needs.



SARAH CURRY  
Glenwood, IA

## ESAs Will Help More Students—And Rural Communities—Succeed

In other states, ESAs have led to:

- **Population growth and higher property values in rural areas**, as they free families to live in more affordable areas without sacrificing education quality.<sup>4</sup>
- **More low-income students attending college.**<sup>5</sup>
- **More money for public schools.** Tennessee's ESA program saves public schools an estimated savings of \$522 to \$2,100 per student who uses an ESA. In Arizona, that amount is \$654 per ESA participant.

## Other States are Benefitting from School Choice Programs

Seven states have enacted Education Savings Account programs to help students. West Virginia enacted the most expansive ESA programs in the country this year. Kentucky followed suit with the second largest ESA program and more states are expected to join them as demand for education options is at an all-time high.



### SOURCES

1. Shaw, Michael. (2019). Schooling in America Series: Rural Revisited. EdChoice. Retrieved from <https://www.edchoice.org/engage/schooling-in-america-series-rural-revisited/>
2. National Student Clearinghouse Research Center. (2016). National College Progression Rates for high schools participating in the National Student Clearinghouse StudentTracker service. Retrieved from <https://nscresearchcenter.org/hsbenchmarks2016/>
3. Iowa Alliance for Choice in Education, EdChoice. (2021). Iowa K-12 & School Choice Survey. Retrieved from <https://www.iowaace.org/wp-content/uploads/2021/01/Iowa-K-12-and-School-Choice-Survey-Brief.pdf>
4. Chingos, Matthew; Monarrez, Tomas; Kuehn, Daniel. (2019). The Effects of the Florida Tax Credit Scholarship Program on College Enrollment and Graduation. Urban Institute. Retrieved from <https://www.urban.org/research/publication/effects-florida-tax-credit-scholarship-program-college-enrollment-and-graduation>.
5. Danielson, Bartley. (2017). CPR scholarships: Using private school choice to attack concentrated poverty, crime, and unemployment. American Enterprise Institute. Retrieved from <https://www.aei.org/research-products/report/cpr-scholarships-using-private-school-choice-to-attack-concentrated-poverty-crime-and-unemployment/>

### FOR MORE INFORMATION:

**Walt Rogers**  
Deputy Director  
[wrogers@tefiowa.org](mailto:wrogers@tefiowa.org)  
319-504-1193

