EMPOWERMENT SCHOLARSHIP ACCOUNTS FAQs

Laws 2011, Chapter 75 (SB 1553)

1) Q: What is an Empowerment Scholarship Account (ESA)?

A: An Empowerment Scholarship Account (ESA) is an account established to provide an education for qualified students, and must include reading, grammar, mathematics, social studies and science.

2) Q: Who is eligible for an ESA – who is a qualified student?

A: In order to be deemed a qualified student, the student must meet the following criteria:

   i. Is an Arizona resident; AND
   
   ii. Is identified as having a disability; AND
   
   iii. Must have done one of the following:

       a. Attended public school full-time for the first 100 days during the prior school year; OR
       
       b. Received a scholarship from a Student Tuition Organization that receives contributions to provide scholarships to students with disabilities pursuant to ARS §43-1505; OR
       
       c. Received an ESA in the prior year.

3) Q: How is a student identified as having a disability?

A: A student must be identified as having a disability under one of the following:

   i. Section 504 of the Rehabilitation Act (29 US Code §794); OR
   
   ii. Identified by a school district under ARS §15-761; OR
   
   iii. The student is eligible to receive services from a school district under ARS §15-763.

4) Q: If qualified, how much will each student receive?
A: The amount deposited into individual ESA’s will vary. The amount is determined by calculating 90% of each student’s funding level as generated by the school finance formula. The formula includes specific “weights” for different categories of disability, grade levels and even school location. Additionally, 3% of the amount is retained for the administrative costs of the Arizona Department of Education and the State Treasurer’s Office.

5) Q: What can ESA funds be spent on?

A: Funds must be used to provide qualified students an education which includes, at a minimum, reading, grammar, mathematics, social studies and science. Eligible expenses are:

i. Tuition and fees at a nongovernmental (private) school for preschool, kindergarten and grades one through twelve;

ii. Textbooks required by the private school;

iii. Educational therapies or services from a licensed or accredited practitioner or provider;

iv. Tutoring services from a state, regionally or nationally accredited provider;

v. Curriculum;

vi. Tuition or fees from a private online learning program;

vii. Fee for nationally standardized norm-referenced achievement tests, Advanced Placement exams, or any exam related to postsecondary admissions;

viii. Contributions to a qualified College Savings Plan (529 Plan)

ix. Tuition or fees at an eligible postsecondary institution; and

x. Bank fees charged for the management of the ESA.

6) Q: How can I get an ESA for my child?

A: Although the law does not take effect until July 20, 2011, the Arizona Department of Education will begin to accept preliminary applications to determine eligibility on July 1. If a student is eligible, the parents must sign an ESA agreement in order for the funds to be transferred to the State
Treasurer’s Office and the ESA to be opened.

*The Arizona Department of Education will continue to provide updates as new information about the application process becomes available. If you have additional questions please e-mail ESA@azed.gov*