

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