

LEGISLATIVE ANALYSIS



THE SOUTH CAROLINA EQUAL OPPORTUNITY EDUCATION SCHOLARSHIP ACT

(S.622 SENATOR S. MASSEY / H.4308 REP. S. ERICKSON)



LEGISLATIVE OVERVIEW: Under the provisions of The South Carolina Equal Opportunity Education Scholarship Act (ESA), eligible students would receive all funding their school district receives on their behalf from the state (not local or federal) in the form of a special scholarship account. Using this formula-based approach creates a more stable approach than an appropriation-based one.

BACKGROUND: South Carolina's ESA draws on the wealth of experience from other ESA adopter states with an eye toward addressing South Carolina-specific student needs and family challenges (poverty, special needs, military families, etc...).

WHY IT MATTERS: Gives parents unparalleled ability to tailor an education suited to the specific needs of their child.

WHO QUALIFIES?

- Low income (Federal Free or Reduced Lunch)
- Special needs (IEP and specific disabilities)
- Exceptional SC legacy recipients
- Military family students
- Foster care children
- (Prior public school attendance required except for military children and incoming kindergarteners.)

HOW ARE STUDENTS FUNDED?

- Total state dollars per student fund the ESA. Federal & local funds remain with district.
- Each student receives a unique ESA amount depending on their district and status.
- The 2018-19 average state per pupil state funding (irrespective of district or student characteristics) is projected to be: **\$6,120 (\$2,339** comes from the Education Finance Act [EFA])
- Compare: Mississippi ESA **\$6,500**, Tennessee ESA **\$6,628** for Special Needs
- Exceptional SC average scholarship award: **\$6,944/year**
- Overall average of private school tuition and fees in South Carolina for 2017-18: **\$6,071/year**

ELIGIBLE EXPENSES

1. Tuition, textbooks and fees at a participating school
2. Payment to a licensed or accredited tutor
3. Purchase of curriculum or instructional materials
4. Computer hardware or other technological devices used solely for a student's educational needs
5. Tuition and fees for a nonpublic online learning program or course
6. Fees for national norm-referenced exams, Advanced Placement exams, or similar courses
7. Fees associated with industry certification exams or exams related to higher ed admission
8. Contribution to a Coverdell education savings account
9. Educational services for pupils with disabilities from a licensed or accredited practitioner or provider, such as occupational, behavioral, physical, and speech-language therapies
10. Tuition and fees at an eligible postsecondary institution
11. Textbooks required for college or university courses
12. Contracted services from a public school district, including individual classes, after school tutoring services, transportation, or fees or costs associated with participation in extracurricular activities should the public school choose to participate in the program
13. Fees for transportation (up to \$750/year) paid to a fee-for-service transportation provider for the eligible student to travel to and from an eligible education service provider

MAIN ADMINISTRATOR, ADMINISTRATIVE FEE & ACCOUNT STRUCTURE

Education Oversight Committee (EOC)

4% first year, 3% thereafter

EOC to recommend most efficient payment method (such as a debit card or online account) to avoid complicated reimbursement plans that force parents to pay for approved services out of pocket

TESTING & ACCOUNTABILITY

State or national norm-referenced test of choice (with necessary flexibility for special needs)

High-quality analysis of parent satisfaction, student progress, state fiscal impact, and appropriate use of funds

ENROLLEE LIMIT PER YEAR

5% of eligible students for 2018-2019; 10% for 2019-2020; No limit starting in 2021-2022