



## ESAS/VOUCHERS: TAKING A HARD LOOK AT WHAT'S NEXT

### Issue Overview

Georgia has witnessed a growing interest in choice programs that expand students' educational options as well. Among the policies that have gained traction among parents and policymakers alike are vouchers, tax credit scholarships, and education savings accounts (ESAs). While each is intended to give families greater flexibility in how they use taxpayer dollars to educate their children, they rely on different means to achieve that end.

In recent years, charter schools have become a normal part of the education landscape in Georgia, as has the general conversation around education choice. Newly elected governor Brian Kemp even campaigned on choice-related promises, like doubling the tax credit scholarship cap and piloting an ESA program for military families. These programs have become more than just novel ideas and are gaining in popularity, but where Georgia is headed in terms of choice legislation remains to be seen. In the meantime, it would be prudent to examine the effectiveness of current options in Georgia and study the implications of those being considered for expansion and implementation.

### Significance for Georgia

Currently, Georgia is home to both vouchers and tax credit scholarships. The state offers three options: the Georgia Special Needs Scholarship, the Georgia Private School Tax Credit program, and the Qualified Education Donation Tax Credit. The Special Needs Scholarship is a voucher program and was established in 2007 to allow public-school students with special needs to transfer to "another public school, public-school system, state school, or approved participating private school." The Georgia Private School Tax Credit allows individuals and businesses to donate money to Student Scholarship Organizations (SSOs), which then award private-school scholarships to eligible students and families. The Qualified Education Donation Tax Credit, which became law in 2018, is the most recent of the three options available in Georgia and is a tax credit program designed to provide financial support to public schools, particularly those performing among the lowest 5% in the state. Only five states currently have active ESA programs: Arizona, Florida, Mississippi, Tennessee, and North Carolina.

The effectiveness, transparency, use, and constitutionality of these choice programs are currently under debate, and the research on tax credit scholarships, vouchers, and ESAs can best be described as limited and often contradictory. There are data-driven arguments both for and against these private choice options, making it even more difficult for families to successfully weigh their options and for state legislatures to make informed policy decisions about private choice.

### Action Steps

As the school choice landscape in Georgia continues to shift toward a broader spectrum of education options for families and students, state policymakers must be cautious in moving forward and take seriously the need to develop robust accountability systems for new choice mechanisms. Like public schools, private schools directly receiving taxpayer dollars or SSO funds should be transparent about how they are spending those tax-payer dollars and how effectively they are educating their students. These institutions' fiscal activities and academic results should instill confidence in the public that tax dollars are being used ethically and wisely and are yielding positive outcomes for participating students.