

# POLICY SOLUTIONS FOR THE PANDEMIC

## POLICY MEMO: ENHANCING EDUCATION WITH EDUCATION SAVINGS ACCOUNTS APRIL 13, 2020

### **The Buckeye Institute's Recommendation**

The COVID-19 pandemic has turned millions of American families into homeschooling families virtually overnight. To ease the stressful and unfamiliar burdens that the new homeschooling arrangements have caused, the U.S. Department of Education should create education savings accounts or ESAs worth \$500 for every K-12 student in America.

### **Background**

Before the pandemic, roughly **56 million students** attended K-12 schools throughout the country. Stay-at-home orders and school closings in **most states** have sent many parents back to school—as teachers in their own homes. Online learning may help some families adjust, but not every household has the technology necessary and not every student learns in the same way, proving once again that education is not a one-size-fits-all endeavor. Federal ESAs from the U.S. Department of Education would help parents tailor their instruction and better meet their K-12 child's individual, educational needs.

As The Buckeye Institute explained in ***Education Savings Accounts: Expanding Education Options for Ohio***, ESAs are broader than state-based scholarship programs that help cover tuition at participating private schools. They help parents pay for textbooks, tutors, online classes, and other essential educational items to give families more flexibility to design (and afford) personalized education programs that augment traditional K-12 classrooms.

The federal **Coronavirus Aid, Relief, and Economic Security (CARES) Act** offers households direct grants of \$500 per child younger than 17. A \$500 ESA for K-12 students would help parents with unanticipated costs and help students keep up with their learning. This solution would cost approximately \$28 billion that should be paid for by reducing federal spending on nonessential services.

The Department of Education should make ESAs simple by sending K-12 families debit cards linked to their child's \$500 ESA account. Initially, families would retain receipts to prove their educational purchases. Eventually, internal controls can prohibit unauthorized spending, and the federal government can work with vendors to offer bulk-purchasing options to spread resources and make purchase-tracking and accounting easier. The new ESAs could expand upon **Coverdell ESAs** that already allow families to save for qualified education spending for students younger than 18, and the new ESAs could receive additional contributions from both state government and private individuals.

### **Conclusion**

The COVID-19 pandemic is changing American education as teachers, parents, and students rethink their approaches to learning and educational technology and services. A federal ESA program can help families afford the new costs of home education and help students maintain their progress through learning resources and equipment without increasing federal spending.