

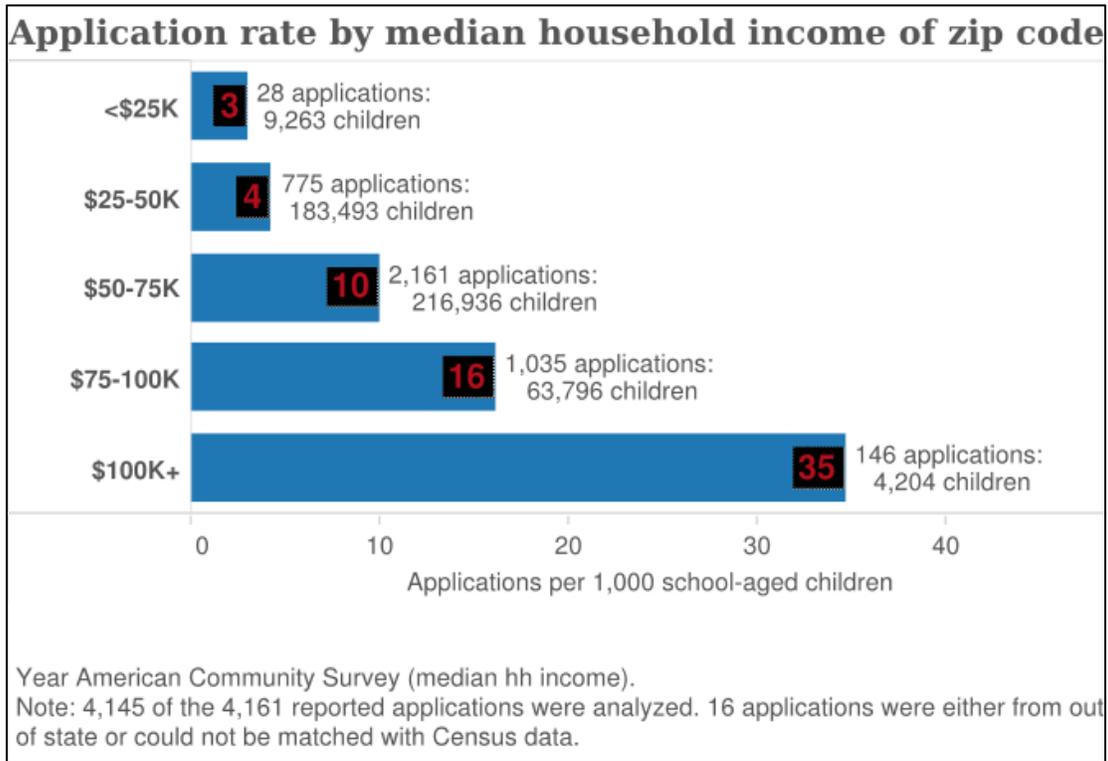


Most ESA Applicants are from High Family Income Zip Codes

Pre-applications for Nevada’s new voucher program – called Education Savings Accounts (ESAs) – filed with State Treasurer Dan Schwartz show a significantly higher rate of applicants from more affluent neighborhoods and areas. The applicant data was obtained from the State Treasurer and analyzed by Education Nevada Now (ENN), powered by The Rogers Foundation.

On January 11, 2016, Judge James Wilson in Carson City blocked the State Treasurer from implementing the ESA program. The ENN analysis includes applicant data filed with the Treasurer before the court issued the injunction.

ENN reviewed ZIP code and median household income data from over 4,000 applications for vouchers filed after the State Treasurer allowed students to “pre-apply” between August and December of 2015. ENN found that applications were more likely to come from Nevada’s wealthier ZIP codes.



Of the majority of pre-applications, over 2,100 were filed by households in ZIP codes with incomes between \$50,000 and \$75,000, generally above the State median of \$52,800. Only 28 applications came from Nevada's 18 poorest ZIP codes with median incomes below \$25,000.

The variation in interest in ESAs is evident when examining pre-application rates, which steadily and dramatically increase as median household income increases. ENN estimates that the State Treasurer received about 35 applications for every 1,000 school-aged children in Nevada's wealthiest areas, compared to only three applications per 1,000 children in the poorest areas.

These findings support concerns that ESAs will not benefit lower income children, given that the high cost of private school tuition exceeds the ESA amount of \$5100 or \$5900 per year. The data may also underscore the difficulty posed by the lack of transportation to private schools, exclusionary admission requirements, and other barriers that render ESAs impractical for low-income families.

"The data confirms that ESAs will drain funding from our public schools to subsidize private school tuition for wealthy families," said Sylvia Lazos, ENN's Policy Director. "The data also makes clear that, despite the claims of proponents, ESAs won't help Nevada's most disadvantaged children who will continue to attend public schools, but with fewer resources to meet their needs."

In June 2015, the Nevada Legislature enacted Senate Bill 302, which authorized ESAs, the most expansive voucher program in the nation. Nevada is also the first state to pay for vouchers by taking funding appropriated by the Legislature for the operation of the public schools. The ESA program also has no limits on the number children that can obtain an ESA, and no income limit on households that can qualify for an ESA.

In September 2015, five public school parents sued the State Treasurer, challenging the ESA program as violating the ban in the Nevada Constitution on the use of public school funding for any other purpose. On January 2016, Judge Wilson agreed with the parents and issued a preliminary injunction on the basis that the ESA program, by taking funding from public school budgets, will cause "irreparable harm" to the parents' children and other children attending public schools across the state. The case is now before the Nevada Supreme Court.