

HB 1605: PCESA's at a Glance

- **PCESA Agreement:**

- Parents of eligible public school student (enrolled in public school for min. 1 full school year) commit to providing an education that complies with state law.
- Parents and local school division set up a Parental Choice Education Savings Account (PCESA)
- Spending is restricted to approved educational expenditures; no other money goes into this account.

- **Accountability:**

- Parents must submit expenditure receipts quarterly to the school division, prior to receiving funds for the next quarter.
- Account expenditures will be subject to audit, and improper use of funds will be subject to fines, penalties, and / or prosecution.

- **PCESA Funding Source:**

- **90% of the eligible per student state SOQ funding** allocated for that child into an education savings account.
- **The remaining 10% of the state funding** is applied towards administrative expenses.
- **100% of the eligible per student state SOQ funding** allocated for that child into an education savings account for students (a) with an IEP (b) suspended or expelled, (c) who failed any Standards of Learning assessment during its last administration, or (d) families below 300% of Federal poverty level.
- **Local funding dollars will be retained by the local school district** for every child using a PCESA. This will mean more dollars per student for public schools without raising taxes.

- **Qualified educational expenses include:**
 - Tutoring
 - Curriculum
 - Online classes
 - Private school tuition or fees
 - Testing costs
 - Educational Therapies
 - Coverdell contributions
 - Insurance or surety bonds as required for the savings account
 - Transportation
 - Computer Hardware and Software (capped)
 - Educational supplies

- **Administration:** The PCESA program administration will co-exist with and build upon the existing Virginia Education Improvement Scholarship Tax Credit (EISTC) program and use existing VDOE and LSD administrative mechanisms to the greatest practicable extent, thereby minimizing additional administrative costs.

- **Like Virginia's VTAG** (Virginia Tuition Assistance Grants), state education dollars flow to individuals who shop for an education setting of their choice. This PCESA serves as a vehicle which gives children access to innovative educational opportunities in an open marketplace. Whether it's students with learning disabilities or kids with exceptional academic potential or any in between, the convenience and flexibility works for everyone.

- **Blaine Amendment/Constitutionality:** When Arizona's ESA program was challenged on the grounds of Arizona's Blaine Amendment, Arizona Superior Court Judge Maria Verdin, wrote in her opinion, which was upheld on appeal: **"The exercise of parental choice among education options makes the program constitutional."**