



Fact vs. Fiction:

Five Myths about Arkansas's Education Freedom Accounts

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FEBRUARY 2024

OVERVIEW

The Arkansas LEARNS Act and its Education Freedom Accounts (EFAs) empower parents to send their child to the school of their choice. Unsurprisingly, misinformation has been spread in an attempt to diminish public support for these important reforms for parents and families.¹

Specifically, opponents have argued that education freedom does not help vulnerable kids—they argue that it only helps “the rich” and improperly spends “public money” on private schools, among other frivolous claims.

This onslaught has occurred in part because opponents of education freedom recognize that the policy is indeed popular—nearly 60 percent of Arkansas voters support it.² In reality, a more well-educated populace threatens the dependency cycle on which the Left so dearly relies.

In reality, each of these arguments are unfounded when considering the Arkansas educational landscape and details of how the LEARNS Act’s Education Freedom Accounts are actually structured.

FICTION: “Public money should not go to private institutions.”

FACT: “Public money” regularly flows through private institutions.

Opponents of education freedom frequently claim that public funds should not find their way into the hands of private entities.³ From their viewpoint, “public” dollars should stay with government institutions. Not only does this argument ignore the fundamental reality that there is no such thing as “public” dollars (only taxpayer dollars), but it also disregards the countless public programs that allow for so-called public dollars to be spent at non-public institutions.

These programs include:

- ◆ Medicaid
- ◆ Medicare
- ◆ Social Security
- ◆ Disability payments
- ◆ Unemployment insurance
- ◆ Veterans benefits
- ◆ Food stamps
- ◆ Cash welfare
- ◆ Housing subsidies
- ◆ Pell Grants
- ◆ Child care subsidies
- ◆ Head Start
- ◆ And many more

All of these programs allow “public” funds to be spent (in some cases exclusively) at private hospitals, pharmacies, doctor’s offices, child care centers, insurance companies, grocery stores, convenience stores, or virtually any private entity in the world, in the case of cash benefits like Social Security and unemployment.



The amount of money spent via these public programs at private entities dwarfs the size and scope of every education freedom program in the country. Consider, for example, food stamps in Arkansas:

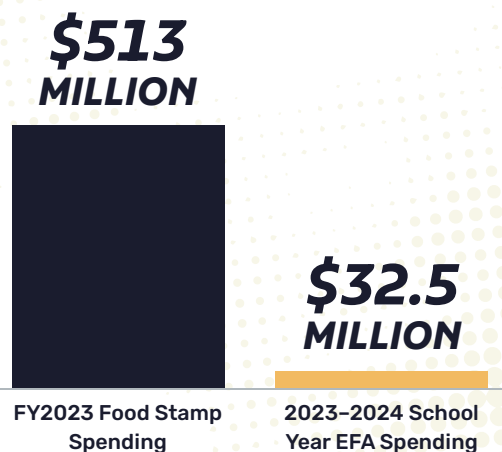
In FY2023, more than \$513 million was distributed in food stamps to Arkansas households to be spent universally at private institutions (e.g., grocery stores, convenience stores).⁴ In contrast, slightly more than \$30 million will be spent at private institutions via the Arkansas LEARNS Act in the 2022–2023 school year.⁵

Yet opponents of education freedom are silent on this point. Indeed, private schools seem to be the only place these opponents do not want taxpayer dollars spent.

Ideally, opponents of education freedom would be much more concerned about the quality of schools that are receiving taxpayer funds, rather than whether the school is private or public.

Critics have placed much emphasis on the \$12.1 million being spent on the top 10 LEARNS-receiving private schools in Arkansas, for example.⁶ **But for the 2021-2022 school year, more than 10 times that amount—or more than \$122 million—in taxpayer funds was spent on the 10 most heavily subsidized F-rated public schools in Arkansas.**⁷

“PUBLIC” FOOD STAMP DOLLARS GOING TO PRIVATE ENTITIES DWARF SCHOOL CHOICE DOLLARS GOING TO PRIVATE SCHOOLS



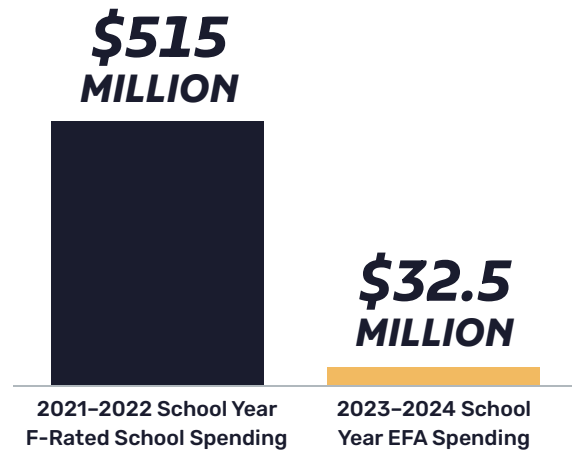
Source: FNS, Arkansas Department of Education

Similarly, while EFA families will be able to spend roughly \$32.5 million this year on education costs of their choice, more than \$515 million in taxpayer dollars was spent at all F-rated public schools in Arkansas, many of which show little promise of improving.⁸⁻⁹

Opponents of education freedom are silent on these hundreds of millions of dollars that will be poorly spent at failing schools and the children who will be left in the dust because they never had a shot at a quality education.

Taxpayer dollars do not belong to public schools any more than they belong to public prisons, public agencies, or public officials. Taxpayer dollars belong to taxpayers, including Arkansas parents, who are finally being allowed to put those dollars to use in the way that best fits the needs of their children.

FAILING PUBLIC SCHOOLS RECEIVE MORE THAN 15 TIMES THE AMOUNT OF MONEY DEDICATED TO EFAs



Source: Authors' Calculations, Arkansas Department of Education

FICTION: “There are no EFA-participating schools near failing public schools.”

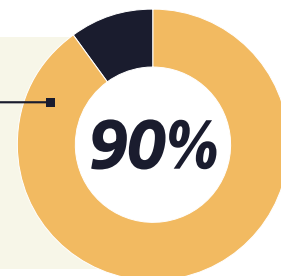
FACT: 97% of Arkansas kids in failing school districts live within driving distance of an EFA school.

Opponents of education freedom frequently claim, with little to no evidence, that many students in a failing public school do not live near a private school participating in an EFA program.¹⁰ Their primary contention is that this is “unfair” because these students have nowhere else to go. Aside from being a subtle admission that many schools across Arkansas are failing students who need other options, and that private schools may indeed be better options, this is another fallacy.

In Arkansas, **nearly all of the state’s commuting zones designated by the federal government have an EFA-participating school.**¹¹

Commuting zones are exactly what they sound like: geographic areas that can be reached reasonably within a short drive. They are effectively areas where people live, work, and, of course, commute. On average, each Arkansas commuting zone has four schools participating in the state’s EFA program through LEARNS, with some commuting zones containing nearly 40 participating schools.¹²

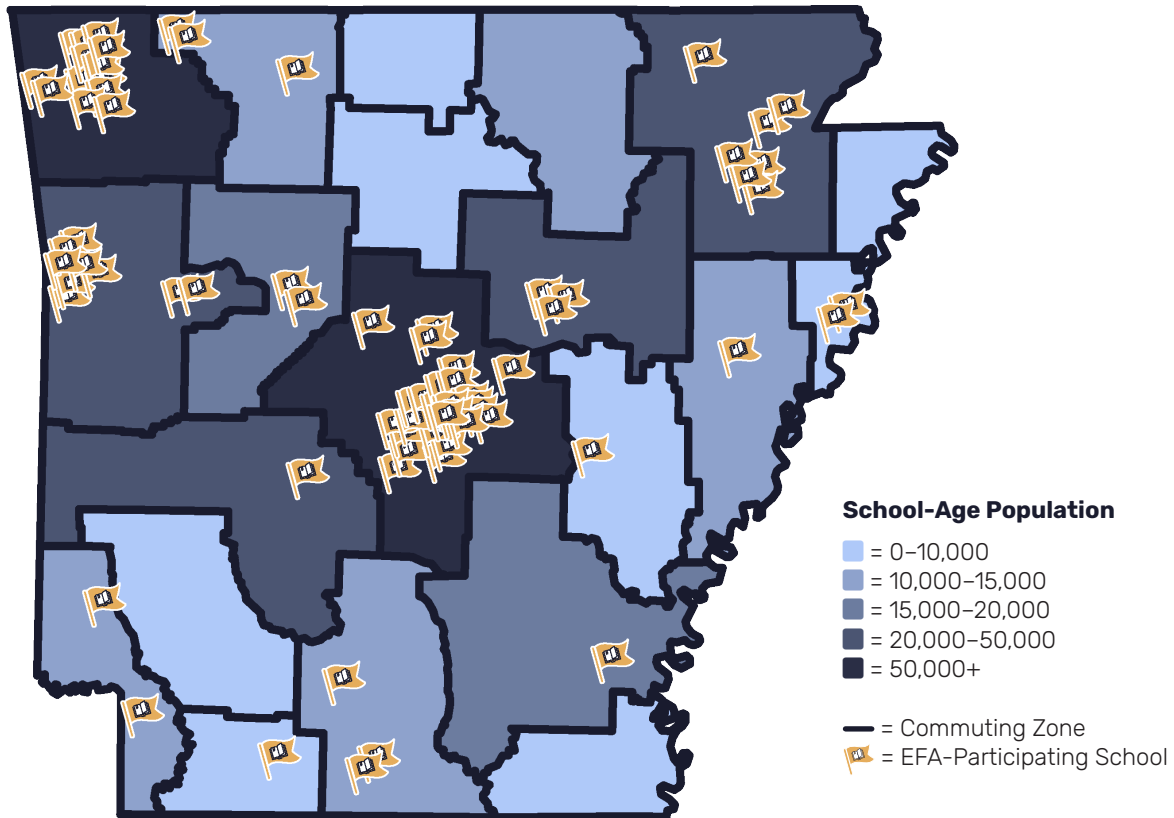
In fact, **90 percent of Arkansas youth live in a commuting zone with an EFA-participating school.**¹³ Furthermore, 97 percent of kids in Arkansas counties with F-rated schools live within commuting distance of EFA schools as well.¹⁴



In other words, Arkansas students who live near a failing school are more likely to be located near an EFA-participating school than the general population of students.

NEARLY ALL ARKANSAS SCHOOL-AGE KIDS LIVE WITHIN A REASONABLE DRIVING DISTANCE OF AN EFA-PARTICIPATING SCHOOL

Distribution of 2023-2024 EFA-Participating Schools by Commuting Zone



Additionally, proximity to public schools is almost entirely irrelevant because private schools are just one of several education options for EFA families. Indeed, these families can utilize homeschooling, microschooling, and virtual school with EFA funds.

Further, the LEARNS Act removed the cap on public school transfers, so Arkansas families also have access to nearby public schools that may better suit their needs.

As EFAs become more widely available to Arkansas students over the next two years, the number of participating schools will only increase. Arkansas families should also expect to see more providers pop up to fulfill the new demand for education options, creating even more access for Arkansas kids to find quality education.

As a result, the claim that Arkansas kids do not have reasonable access to other, better schools is simply a myth.

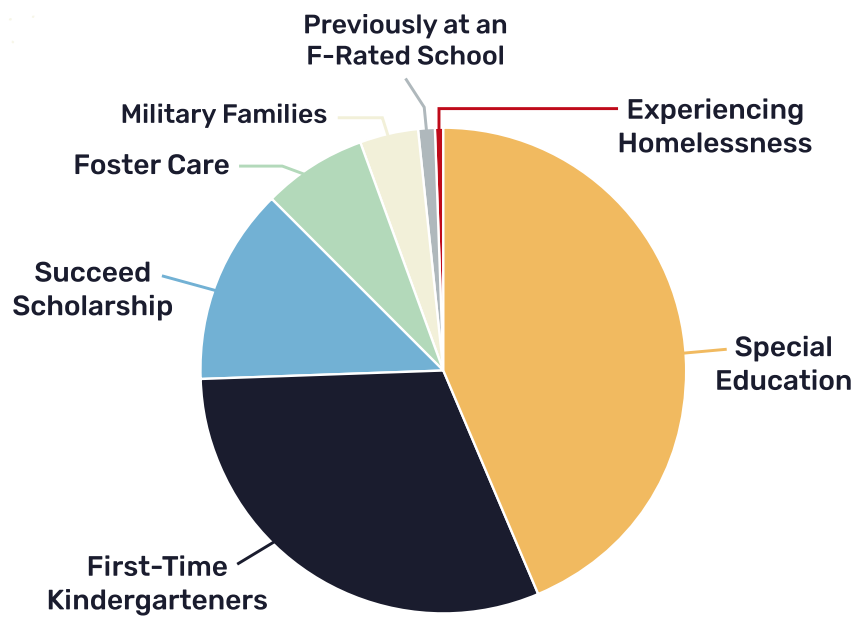
FICTION: “Vulnerable kids are not helped by education freedom.”

FACT: Most EFA enrollees are vulnerable students with a variety of disabilities.

Despite the claims of education freedom opponents, nearly two-thirds of EFA enrollees in the 2023-2024 school year have a disability, are in foster care, experiencing homelessness, or previously participated in the Succeed Scholarship program (which was only available to students from vulnerable populations).¹⁵

NEARLY TWO-THIRDS OF EFA ENROLLEES ARE FROM VULNERABLE POPULATIONS

EFA Enrollment by Eligibility Category



Source: Arkansas Department of Education

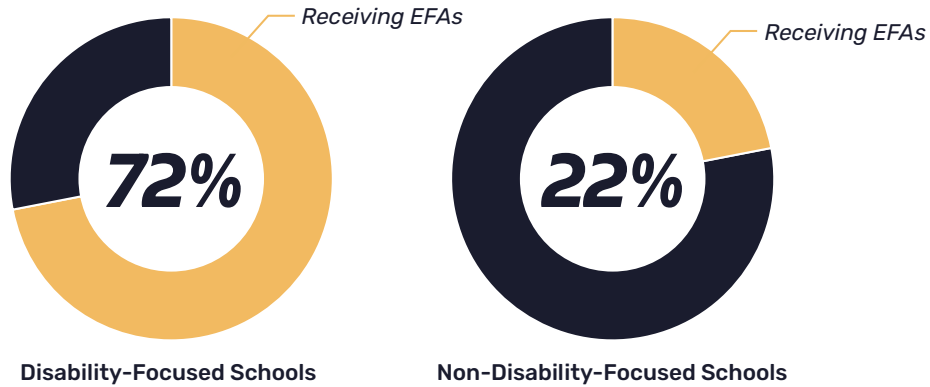
Hundreds of these students are in need of extremely specialized services that only schools that are specifically tailored to serve students with severe disabilities can provide.

Access Academy in Little Rock has 90 EFA participants; Compass Academy in Conway has 102 EFA participants; the Easterseals Arkansas Academy at Riverdale in Little Rock has 71 EFA participants; and so on.¹⁶ While the proportion of students with disabilities enrolled in EFAs may decrease over time as more and more students become eligible, the raw number will remain high and other new populations of students will be able to share in the benefits.

In fact, EFAs **disproportionately benefit students in schools with an emphasis on serving students with disabilities**. In EFA-participating schools that focus the majority of their curriculum on serving students who have disabilities, 72 percent of students receive EFAs.¹⁷ In EFA-participating schools that are not specific to serving students with disabilities, 22 percent receive EFAs.¹⁸

STUDENTS AT DISABILITY-FOCUSED SCHOOLS ARE THREE TIMES MORE LIKELY TO BENEFIT FROM EFAS

Percentage of Students Receiving EFAs, Disaggregated by Participating School Status



Source: Arkansas Department of Education and Authors' Calculations

As a result, EFAs overwhelmingly benefit vulnerable populations of kids in Arkansas. Without EFAs, these students could be stuck in schools that are ill-equipped to meet their particular needs, or their families forced to bear the significant financial cost. For these kids, EFAs are a lifeline to a better quality education and a more promising future.



The Hall Family
Little Rock, AR

“Our daughter was diagnosed with ADHD in the third grade, and when she was retested this year, she showed two characteristics of dyslexia. One of the psychologists that I work for told me about LEARNS, and other parents of ADHD kids informed me that my daughter could qualify for an Education Freedom Account (EFA). I thought it would be great to apply... **The EFA has been a great financial relief.** It frees up the funds to pay for supplemental things we can do for our daughter, and we’ve used that extra money to get a dyslexia tutor for her. I had started a second job to help pay for our daughter’s school this year, so once we found out we were approved, it took a lot of pressure off of us.”

FICTION: “Education freedom accounts only help ‘rich’ kids.”

FACT: EFAs break the unfair link between economic status and opportunity.

Before the LEARNS Act, education freedom already existed—it was just reserved for wealthy families who could afford private school or afford to move to better districts. While opponents of education freedom argue it only helps the wealthiest families, in reality those who can afford to pay out of pocket to send their kids to high-quality private schools have already enjoyed the benefits of school choice for years.

In fact, it is the least well-off families—those who do not have the financial means to take their kids out of poor-quality schools—who most benefit from EFAs. Without EFAs, many of these families would be unable to attend a private school that gives them a shot at a better future. While education freedom opponents want to focus on the mere number of students in Year 1 who “already went to private school,” the reality is that hundreds of Arkansas kids could have never afforded to attend a non-public school without EFAs. Indeed, their families are benefiting far more than “rich kids.”

EFAs place these families on the same playing field as the wealthiest families, empowering all students to gain a quality education. More kids from wealthy families may be attending private schools now, but as the EFA program develops, children in low-income families stand to benefit even more significantly from the program.

While there is, as of yet, limited data on the link between EFAs in Arkansas and income or wealth given the recency of the program, other states’ experiences can help shine a light on the benefits of EFAs in this area.

“Our daughter has ADHD and was on medication for a while, but as she grew older, we began to see a lot of negative side effects...At public school, she was lost in the system. Public schools introduce new subjects and quickly move on to the next. If you don’t understand it the first time, you fall behind and stay behind. Because of the large number of kids they’re expected to teach, the teachers have difficulty helping the kids that need some extra teaching. **The EFA program allowed us to utilize a smaller environment where our daughter gets the help she needs...**There’s so much that we can’t control about our lives and our children’s lives. Having the freedom to choose where you want your child to attend school makes a huge difference.”



The Bline Family
Russellville, AR



Another report on Vermont’s school choice program found that areas with robust choice are magnets for families, helping to grow vibrant communities with strong local populations and boosted property values.²¹ For poor areas of rural America struggling with decades of decline, school choice could be a game-changer.

Even the left-wing Urban Institute—founded by President Lyndon Johnson and run by former staffers of the Clinton and Obama administrations—concluded that “**school choice programs can be powerful tools in the fight against poverty.**”²² The Institute goes on to say that, “evidence indicates that school choice programs can improve the educational and life outcomes of low-income students.”²³

The truth is that the status quo, not EFAs, perpetuates a system where only the rich can afford to send their kids to quality schools. EFAs break down this unfair system by empowering all families to set their kids on a path to a high-quality education.

Education Freedom in Action:

A study on Arizona’s education freedom program, one of the largest in the country, found that EFAs (known as “ESAs” in Arizona) “serve students from higher and lower poverty communities alike.”¹⁹ Unlike the status quo, which inherently discriminates in favor of the wealthiest who can afford to remove their kids from public schools, EFAs serve all students equally. In fact, the Arizona report finds that **those from economically disadvantaged communities use EFAs at higher rates than the statewide average.**²⁰



FICTION: “EFAs are just a fancy name for ‘school vouchers.’”

FACT: EFAs do not function anything like vouchers and are even more flexible for Arkansas families than a voucher system.

Despite the attempts of education freedom opponents to confuse the general public, EFAs and vouchers are not the same—and Arkansas is utilizing an EFA model, not a voucher model. This distinction is important because EFAs are actually far better and even more flexible for families than vouchers.

Similar to EFAs, vouchers are based on a portion of the public funding set aside for a child’s education. However, the key difference is where they can be spent: traditional school vouchers can typically only be applied to tuition at private schools.

In contrast, **EFA dollars can be utilized in a variety of school settings such as homeschools, virtual schools, microschoools, and more.** A more accurate comparison to an EFA would be, for example, a Health Savings Account (HSA), where Americans can use tax-free dollars on a variety of medical expenses (not just one type of expense). And, once fully implemented, EFAs in Arkansas can pay for all sorts of different educational expenses beyond just tuition, including:

- ◆ Fees
- ◆ Testing
- ◆ Uniforms
- ◆ Supplies and equipment
- ◆ Curriculum
- ◆ Instructional materials
- ◆ Instructional and tutoring services
- ◆ Services provided by a provider to a student with a disability
- ◆ Certain technological devices
- ◆ Certain transportation costs
- ◆ And more²⁴

EFAs and LEARNS are powerful tools for families to use their taxpayer dollars in order to build the best future for their children. They are simply not vouchers, no matter how many times opponents claim they are.





The Lieblong-Barlow Family

Little Rock, AR

“Prior to the passing of LEARNS, we were paying out of pocket for tuition and their sessions with a therapist. One of our daughters had two sessions per week, and the other had three per week. That put a strain on our pocket book. At first, I didn’t know the Education Freedom Accounts (EFAs) were an option for my family. I knew about LEARNS, but I didn’t think we would benefit. When I looked into it, I realized that, because my daughters had been diagnosed with dyslexia by a psychologist, we could apply. We did so and received funding for our daughters’ tuition. Now, we only pay for their therapy sessions. **Before we got the funding, one of my daughters was only getting two sessions per week instead of the three that were recommended by her learning plan and therapist. But it was all we could afford. Now, she can have all the sessions she needs because we don’t have to pay for tuition.** This year, we’ll even have a little bit of money left over that we can use for sessions during the summer.”

BOTTOM LINE: EFAs are essential to empowering Arkansas parents and families.

EFAs are a critical tool for thousands of Arkansas students across the state and are already helping students in vulnerable populations pursue a quality education. Even though many myths about EFAs have been spread, none of them hold water.

Let's recap:

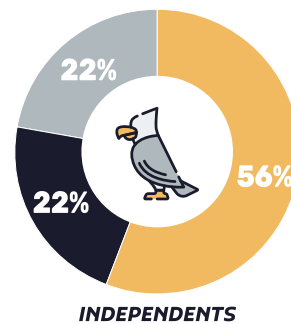
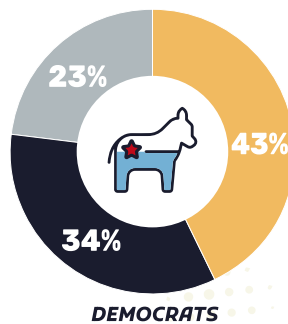
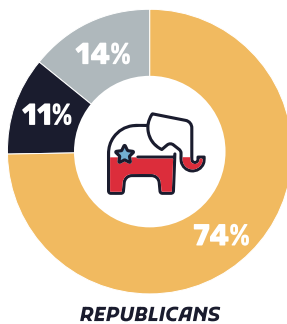
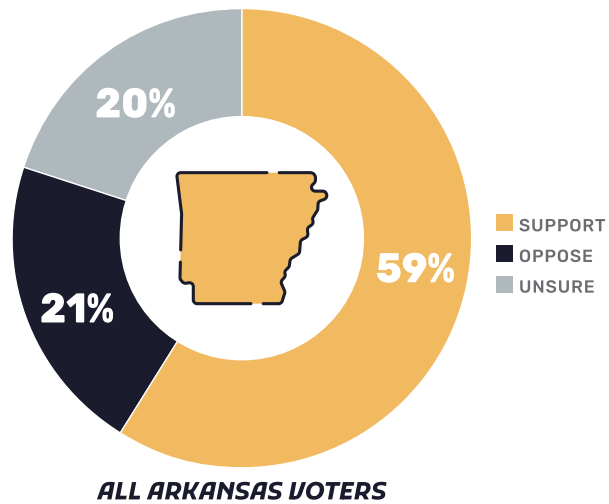
- ◆ Taxpayer money routinely goes to private institutions.
- ◆ Roughly 90 percent of Arkansas students live near an EFA-participating public school and this is likely to improve even more over time.
- ◆ Vulnerable populations benefit the most from education freedom.
- ◆ EFAs create a level playing field, breaking the link between economic status and opportunity.
- ◆ EFAs are entirely distinct and even better than vouchers.



Fortunately, Arkansans can see through these myths. Despite the barrage of attacks on LEARNS and EFAs, nearly 60 percent of likely Arkansas voters support educational freedom, including majorities of Republicans and Independents, and a plurality of Democrats.²⁵

Poll:

Do you support or oppose educational freedom in Arkansas?



As the LEARNS Act continues to be phased in, more and more myths will undoubtedly arise. However, at the same time, more students will be receiving EFAs, more schools will be participating, more areas of rural Arkansas will be reached, and more expenses will be eligible for EFAs. In short, more Arkansans—especially the most vulnerable students—will have greater control over their educational future.

Despite the misinformation, the LEARNS Act and EFAs are here to stay.

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