

# **FAQ PRICE ACT-(SB202 HB295)**

## **By Eagle Forum of Alabama-updated 4.12.23**

### **Q: What type of school choice program is the PRICE Act?**

**A:** The *Parental Rights In Children's Education* (PRICE Act) is an Educational Savings Account (ESA) Program

### **Q: Who can apply?**

**A:** All Alabama non-public schooled students who are U.S. citizens will be able to apply after the 3-year phase in.

### **Q: How much do students get to spend on their education?**

**A:** The ESA amount is approximately \$7,000/year. Money that is not used in the current year can be rolled over to the next year. Once a student graduates no more money can be added to the ESA, but the student has until age 21 to use the funds. So, they can use those funds for college or a trade school after graduation.

### **Q: What can the ESA money be used for?**

**A:** Examples of *qualifying expenses* are tuition, textbooks and fees, individual classes, tutoring services, therapies such as occupational, behavioral, physical, speech-language, audiology therapies, etc., extracurricular activities including, athletics, art, music, and literature, computer hardware and other technological devices, software and applications, school uniforms, college tuition, textbooks, and fees if there are any remaining ESA funds after high school.

### **Q: How do parents access the ESA money?**

**A:** The money does not go to the parents or to their personal accounts. Once a student is accepted, an account through an online app (like "ClassWallet") will be set up for each student. The parents will manage this account. The money will be deposited to the account several times a year. There is a *vendor list* (with qualified expenses) alongside the account where money can be spent. For example, when it comes time to pay for private school tuition, the parent would go into the account and click on the private school and make the tuition payment. They would buy the school uniforms, pay for tutors, and pay for other expenses through the online app. No money goes directly to the parent. It flows through the ESA to the vendor.

### **Q: Can public funds be used for "religious schools" or private schools"?**

**A:** Two Supreme Court decisions, Mitchell v. Helms and Zelman v. Simmons-Harris, have found that it is permissible for taxpayer funds to be used for educational purposes by religious organizations, providing that, in Zelman, the parents decide which religious or nonreligious school their child attends, or in Mitchell, that the funds were used for a secular purpose.<sup>i</sup>

### **Q: Do all private and homeschool entities have to accept ESA money from a student's ESA account?**

**A:** The PRICE Act is a voluntary program. Parents and education service providers must apply to participate in the program. If a private school or homeschool cover school does not want to accept money from an ESA account, they don't have to. Parents can use ESA funds on other educational qualified expenses besides tuition and fees.

**Q: Does accepting ESA funds make an education service provider an agent of the state or require the provider to undergo additional licensure or regulation?**

**A:** No, the private schools and homeschools in Alabama continue to operate under the current laws. Accepting PRICE ESA funds does not affect the laws or their school policies.

**Q: Public School administrators say there will be a mass exodus and public schools will dissolve if an ESA program is enacted.**

**A:** Data shows that across the nation a very small percentage of eligible students take advantage of school choice programs. For most programs, take-up rates remain below 2 percent for the better part of a decade.<sup>ii</sup>

**Q: We need accountability. How will we know if parents are spending the money wisely?**

**A:** The online app used will have features that help to ensure that money is only spent on qualifying educational expenses. Using this online tool is a great way to ensure transparency and accountability.

**Q: What government agency will administer the PRICE Program?**

**A:** The Department of Revenue (DOR) administers the program along with a 13 member/parent advisory board.

**Q: I live in a rural area, and we don't have any private schools so why should I want my rep to vote for this as it won't help me?**

**A:** A new [Heritage Foundation report](#) finds that families in rural areas have access to more education options than ever before. About seven in 10 rural families live within 10 miles of a private elementary school. While charter schools are scarcer in rural areas, they're accessible in states that have encouraged their formation and growth. Rural areas are also seeing the rise of micro-schools, a modern reimagining of the one-room schoolhouse. Additionally, high-quality virtual schools are available to anyone with a decent Internet connection—which is becoming increasingly available in rural America. A 2021 survey by the Pew Research Center found that 72% rural Americans said they have a broadband Internet connection at home, up 19 percentage points since 2016.<sup>iii</sup> Check out this great report about rural education choice: [Rerouting the Myths of Rural Education Choice](#).

**Q: How many students will this help?**

**A:** This is a parental rights bill. It allows parents to use funds the state has taken from them to educate their children. If we look at uptake rates from other states that have enacted school choice programs, it is about 2%-5% of the eligible students. Let's aim high and say that 5% of Alabama students will take advantage of the PRICE Act once fully enacted after phase in that would be around 40,000 students.

**Q: Dose this help public school students?**

**A:** Public school students would not have an ESA. But public schooled students can benefit in the long run as the data shows that when choice is introduced even the public schools get better. Competition is powerful.

**Q: Does the PRICE Act address CRT, SEL, the trans agenda, discipline, woke textbooks, DE&I etc. for the children in govt schools?**

**A:** The PRICE Act is essentially a funding bill and does not address CRT, DEI, woke agenda in public schools. This bill does not dictate what is taught in public, private, online or homeschools.

**Q: How does this bill ensure high-quality teachers are in the classroom?**

**A:** It doesn't. This is a PARENTS' CHOICE bill that enables parents to determine what education model best meets their child's need while aligning with their family's values.

**Q: Can Government schools participate in the PRICE Program?**

**A:** A government school could offer individual classes or programs and charge tuition for non-public students to attend, and they could accept ESA funds. For example, if they had a Spanish class, a drama club, art class, etc. they could allow non-public schooled students to attend and students could use their ESA funds to cover those costs.

**Q: Aren't private schools going to just raise their rates, so poor people still won't be able to attend?**

**A:** Raising tuition seems to happen more often with vouchers or tax credit scholarships where the funds can only be used for tuition and fees. However, with ESAs the funds can be used for numerous educational expenses. So, schools aren't so quick to raise rates. Free markets work. Schools will be competing for students and will be mindful of keeping rates reasonable.

**Q: Why is there a Parent Advisory Board in this bill?**

**A:** The Parent Advisory Board is an important safeguard that ensures that parents' needs are being met. The board will work alongside the Department of Revenue (DOR) making recommendations on the implementation, administration, and improvement of the PRICE Program. They will hear concerns and complaints of parents of participating students. The board can help determine qualified expenses and legitimate education service providers. They can also assist the DOR with the appeals of denied parents and Education Service Providers.

**Q: Some opponents say this bill is a "Marxist bill" or a "redistribution of wealth" bill. How do you respond to that?**

**A:** Currently, the state controls the education dollars they have taken from tax-payers. Those funds are then given to state institutions where children, as some parents see it, are indoctrinated with anti-family and anti-American values. The PRICE Act provides a way of escape from government schools. It puts the education dollars back in the hands of parents so they can use those funds for the education model that best meets their child's need while aligning with their family's values. Sadly, opponents want the state to remain in control of the education dollars.

**Q: Isn't the PRICE Act just another way for government to come in and take over education of private and home schools?**

**A:** To the contrary, the PRICE Act was carefully written to protect the autonomy of private schools and home education in Alabama. The PRICE Act further safeguards and validates the protections of Alabama's current non-public schooling laws. These protections are restated in eight places throughout the bill. For example:

**P.1-2 Lines 26-29** *This bill would retain the autonomy of nonpublic schools and prevent additional state control over or interference with nonpublic schools, their students, and families.*

**P.4 Lines 104-109** *and further that the State of Alabama has no compelling interest to burden by license or regulation nonpublic schools, which include private, church, parochial, and religious schools offering educational instruction in grades K-12, as well as home-based schools and home-schooled students.*

**P.12 Lines 339-340** *Not subject nonpublic schools to additional regulation or licensure.*

**P. 23 Lines 617-622** *This act shall not be construed to interfere with or limit the teaching of religious instruction by any education service provider, by regulating its creed, practices, admissions policy, hiring policy, code of conduct for employees or students, tuition, fees, curriculum, or policies or practices of any description.*

**P. 23 Lines 623-630** *All education service providers shall be given maximum freedom to provide for the educational needs of participating students without government control and participation in the program or receipt of payments from an ESA shall not limit the independence or autonomy of an education service provider, make it an agent of the state or federal government, or make its actions the actions of the state or federal government.*

**P. 23 Lines 631-634** *Nothing in this act shall be construed to expand the regulatory authority of the state, its officers, or any school district to impose any additional regulation of education service providers.*

**P. 23 Lines 635-644** *The receipt of ESA funds and participation in the PRICE Program directly or indirectly by a parent or participating student and by any education service provider that is a nonpublic school offering educational instruction in grades K-12 does not subject the school or individual to licensure or regulation by the state or any political subdivision of the state and does not modify or repeal other sections of state law, including Sections 16-1-11.1 through 16-1-11.3, Code of Alabama 1975, or otherwise affect the exemption of nonpublic schools from state regulation.*

**P. 24 Lines 645-648** *The receipt of ESA funds or participation pursuant to this act does not change or remove the exemption and definition of a church school as provided in Section 16-28-1, Code of Alabama 1975.*

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<sup>ii</sup> [Repealing the Anti-Religious Blaine Amendment in Alabama - Alabama Policy Institute](#)

<sup>ii</sup> [Tackling the “Exodus” Claim - Education Next](#)

<sup>iii</sup> [Why Rural Students Need School Choice | The Heritage Foundation](#)