

FAMILY ISSUES FACT SHEET

No. 2021-13 (March 2021)

SB 1118 STO; SCHOLARSHIPS: INCREASE

EXECUTIVE SUMMARY

The scholarship tax credit programs, administered by school tuition organizations (STO) in Arizona, have provided many students the opportunity to attend schools that their parents choose as best meeting their child's educational needs. These programs benefit many students, including those in foster care, students with special needs, and students from low-income families. SB 1118 will allow STOs to help more Arizona families find the best educational environment for their children.

SB 1118 includes as eligible for STO scholarships specified homeschool students, new residents, and former Empowerment Scholarship Account (ESA) holders. It also raises the cap on individual and low-income corporate scholarships and grants. It does this with no anticipated fiscal impact.

BILL DETAILS

SB 1118 adds specified individual and low-income corporate STO scholarship and grant eligibility to include a student who:

- Is homeschooled before enrolling in a qualified school
- Moved to Arizona from out of state before enrolling in a qualified school
- Participated in an ESA and did not renew the ESA or accept the scholarship in order to accept a specified individual or low-income scholarship or tuition grant.

The bill also:

- Increases, beginning in 2021, the low-income scholarship or grant cap amount from \$6,900 to \$7,500 for students in grades 9 through 12.
- Increases the low-income scholarship or grant limit annual increase from \$100 to \$200.

TALKING POINTS

- 1. SB 1118 opens opportunities for more underserved Arizona families to find the best educational option for their children.**
- 2. COVID-19 has had a devastating impact on many students, especially low-income students shut out of the classroom. SB 1118 provides options for more Arizona families to help their children get back to class.**

- 3. Adding these groups to those eligible for STO scholarships and bumping the caps will help Arizona families struggling to recover from the COVID shutdown – and it does this without costing the state money.**

CONCLUSION

SB 1118 will allow students new to Arizona, students switching from homeschooling to private school, and those leaving the Empowerment Scholarship Account Program to receive STO scholarships and grants. It will help more Arizona families get their children back in class and back to learning.