COMMON SENSE INSTITUTE

MARCH 2025

ARE IOWA'S ESAS WORKING?

AN ASSESSMENT OF SCHOOL ENROLLMENT AND ESA UTILIZATION UNDER THE STUDENTS FIRST ACT

AUTHORS: BEN MURREY & ANDRZEJ WIECIORKOWSKI

ABOUT THE AUTHORS

Ben Murrey is Director of Policy and Research with the Common Sense Institute (CSI) Iowa, where he leads research efforts to provide insightful, accurate, and actionable information about the impact of public policy on Iowa families, businesses, and communities. Prior to joining CSI, Murrey spent over a decade researching and advising on public policy at a state-based think tank in Colorado and as a U.S. Senate aide for tax, budget, and economic policy. In addition to publishing regular research reports for CSI, Murrey has been published in state and national outlets including *The Wall Street Journal*, Real Clear Policy, the *Corridor Business Journal*, and *The Colorado Springs Gazette*.

Andrzej Wieciorkowski is a research analyst with CSI Iowa. Before joining CSI, he attended the College of the Holy Cross where he majored in political science and economics. Wieciorkowski also worked as an intern for the Heritage Foundation's Center for Education Policy, where he developed public policy and research experience in education, economics, law, immigration, and international affairs.

ABOUT COMMON SENSE INSTITUTE

Common Sense Institute is a non-partisan research organization dedicated to the protection and promotion of Iowa's economy. CSI is at the forefront of important discussions concerning the future of free enterprise and aims to have an impact on the issues that matter most to Iowans. CSI's mission is to examine the fiscal impacts of policies, initiatives, and proposed laws so that Iowans are educated and informed on issues impacting their lives. CSI employs rigorous research techniques and dynamic modeling to evaluate the potential impact of these measures on the economy and individual opportunity.

TEAMS & FELLOWS STATEMENT

CSI is committed to independent, in-depth research that examines the impacts of policies, initiatives, and proposed laws so that Iowans are educated and informed on issues impacting their lives. CSI's commitment to institutional independence is rooted in the individual independence of our researchers, economists, and fellows. At the core of CSI's mission is a belief in the power of the free enterprise system. Our work explores ideas that protect and promote jobs and the economy, and the CSI team and fellows take part in this pursuit with academic freedom. Our team's work is informed by data-driven research and evidence. The views and opinions of fellows do not reflect the institutional views of CSI. CSI operates independently of any political party and does not take positions.

TABLE OF CONTENTS

INTRODUCTION

Iowa's Students First Act went into effect in January 2023, creating the state's Education Savings Account (ESA) program for K-12 students.[1] The law made Iowa the 11th state in the nation to enact an ESA program, followed by Montana and South Carolina shortly thereafter. Once fully implemented in the 2025-26 school year, the program will make ESAs available to all Iowa's nearly 550,000 K-12 students. The press release announcing the bill's signing said lawmakers passed the law to offer more K-12 students the opportunity to attend the school they choose—whether public or not.[2] In principle, every Iowa pupil already had the freedom to choose whether to attend a public school, nonpublic school, or homeschool. However, cost barriers limit many Iowans' options in practice. While every schooling option has a cost, the direct cost burden does not always fall on the student or student's family. In the case of public schools, taxpayers bear the direct cost rather than the individual receiving education services. As intended, this feature makes the state's public schools accessible to all Iowa students. However, in the case of nonpublic schools, the student or student's family generally bears the direct cost through tuition, barring many Iowans from choosing that option.

An ESA program allows parents to use their child's share of state education dollars for tuition at a nonpublic school, effectively reducing the cost for the student. School choice advocates often support this policy, arguing public dollars should follow students on the educational paths chosen by them and their parents. Critics argue the new program will reduce enrollment in the state's public schools, diminishing school districts' ability to serve students who remain in public schools. Thorough analysis of the program and its effect on enrollment trends, school finance, educational outcomes, and other considerations will require multiple years of data after the program is fully implemented. Iowa's ESA program has been in effect for less than two years and has produced just two years of enrollment and utilization data. Therefore, this initial CSI report examines K-12 enrollment and ESA utilization in Iowa during the program's first two years, evaluating whether the Students First Act is achieving its intended effect of expanding school choice.[3]

KEY FINDINGS

- Using two separate analytical methods, CSI found of the 11,513 K-12 students who used ESAs in the first two years of the program and *were not already in a nonpublic school*, **between 4,500 and 5,600 students would not have had access to the accredited nonpublic school of their choice without an ESA.**
  - Between 39% and 49% of ESA participants not already enrolled in a nonpublic school would not have access to school choice without an ESA.
- Of the 16,313 students from low- and middle-income families who already attended a nonpublic school and now have an ESA, **CSI estimates approximately 500 students would have been priced out of their current nonpublic school if not for ESAs.**
  - In the 2023-24 school year, ESA families with children already in nonpublic schools had an average income of $62,200, or 23% below the income of a median Iowa household in 2023. This cohort accounts for 58.6% of current ESA participants.
- **With access to ESA dollars, parents are more likely to start a kindergartener off in a nonpublic school than they are to transfer a child already in a public school to nonpublic.**
  - This year (2024-25), 32.7% more kindergartners enrolled in an accredited nonpublic school than in the last year before ESAs (2022-23), whereas just 17.2% more students in grades 1-12 enrolled in a nonpublic school. If this trend continues as expected, ESAs will continue to increase access to school choice for another decade after the 3-year phase. When the first ESA kindergarten class becomes high school seniors, the share of nonpublic to public enrollment will plateau at a "new normal."
- **CSI projects by the 2026-27 school year a total of approximately 45,000 students will have an ESA account.**
- **Based on state certified enrollment data, enrollment in Iowa's public schools was trending down before implementation of the Students First Act, but ESAs accelerated that trend.**
  - Prior to ESAs the Department of Education projected just a 1.2% decline in public school enrollment over the last five years. Actual public school enrollment declined 1.9%.
  - Enrollment in nonpublic schools has averaged a 5.66% rate of growth since fiscal year (FY) 2023. Enrollment in public schools has declined by an average of 0.38% per year over the same period.
  - While public schools lost more students than nonpublic schools gained, between 80% and 97% of the increase in nonpublic school enrollment is attributable to ESAs.
- **ESAs are driving growth in the number of nonpublic schools in the state.**
  - In the 2023-24 school year, the state saw a net increase of seven nonpublic schools, up from two the previous year. In the 2024-25 school year, 24 new nonpublic schools opened with none closing—a record expansion.

WHAT IS AN ESA?

The state legislature created Education Savings Accounts (ESAs) to help fund the education of Iowa's K-12 students who wish to attend accredited nonpublic schools.[4] With the Students First Act, lawmakers created a permanent ESA Fund with an ongoing annual general fund appropriation equal to the state cost per pupil (SCPP) times the total number of ESA participants that year. Under the program, the Department of Education (DOE) establishes an account for each participating student.[5] Each student receives in his or her account each year the amount of money equal to the SCPP that year. States like Wisconsin that have state voucher programs generally allow funds to pay for tuition only; ESAs offer more flexibility. Iowa's ESA recipients must first use funds to cover tuition, but they may roll excess dollars forward for future years or use them to pay for other approved educational expenses like textbooks, standardized test fees, laptops, and software.[6]

The state of Iowa began phasing in its ESA program over three years in FY 2024, or school year 2023-24, ultimately expanding to universal eligibility in FY 2026. From the start of the program, all students entering kindergarten and all students enrolled in a public school the previous year who transfer to a nonpublic school were eligible. Students already in nonpublic schools could only participate in the ESA program in year one if they came from families with an annual household income at or below 300% of the federal poverty level (FPL)—about $90,000 for a family of four.[7] This report henceforth refers to this category of students as "FPL students," "FPL participants," of some variation of that nomenclature. In year two, eligibility for existing nonpublic school students expanded to include students from families earning up to 400% of the FPL—about $120,000 for a family of four.[8] The program will be fully universal in the third year, FY 2026, allowing all Iowa K-12 students attending accredited nonpublic schools to participate, regardless of household income.[9] Table 1 outlines program eligibility during the phase-in period.

TABLE 1. EDUCATION SAVINGS ACCOUNT ELIGIBILITY BY STUDENT TYPE, 2023-24 TO 2025-26

School year	Kindergarten	Public	Nonpublic
2023-24	√	√	300% FPL
2024-25	√	√	400% FPL
2025-26	√	√	√
Future Years	√	√	√

Source: HF 68

In FY 2024, each eligible student participating in Iowa's ESA program received $7,635 in their education savings account. For FY 2025, each student received $7,826. These funds effectively reduce the cost barrier to choosing a nonpublic school for K-12 education, as explained in more detail in the next section, "The Economics of ESAs."

THE ECONOMICS OF ESAS

In a market where free enterprise forces entirely dictate supply and demand, producers compete for customers based on price and quality. The provider who offers a better service at the right price will win more market share. Of course, every consumer has different preferences and perceptions about what constitutes high quality and the value of a service offered. In a free enterprise system, consumers dictate the value of products and services through their choices. A consumer might want a service they perceive as superior but lack demand for that service at the current price. In other words, they view the product or service as better than the alternative, but not so much better that they will pay a higher price. Higher prices reduce consumer demand and increase supply, and vice versa, depending on the price elasticity of the product or service. Likewise, if demand falls for an exogeneous reason, prices fall; if demand rises, prices rise. These fundamental precepts of market economics have been observed for thousands of years and apply to all kinds of markets.[10] However, in the market for K-12 education services in the United States, free enterprise forces alone do not dictate supply, demand, and prices in all cases. Both public and nonpublic schools compete for students in the education marketplace, but they compete on an unlevel playing field distorted by state intervention in the market.

Deeming universal education an essential public good, the people of Iowa through their elected representatives have granted the state the power to mandate that every child between the age of six and 16 attend school.[11] This mandate almost certainly sets demand for K-12 education services higher than where the market would set it. In Iowa, families may choose to fulfill this mandate by homeschooling their children or by sending them to a traditional public or nonpublic school. Each of these options competes for market share of pupils, but they do not compete on a level playing field. The state sets the price of public education at zero dollars for all students, and taxpayers bear the direct cost rather than the recipient of the service. Conversely, nonpublic schools cover their operating costs primary through tuition and fundraising, not from tax revenue. The recipient of the service or the student's family bears the direct cost of the service.

From the consumer's perspective, they *must* "purchase" K-12 education services, and they *must* pay taxes. They can choose to "purchase" public school services for zero dollars or nonpublic school services for some amount of money above zero, treating their state and local tax liability as a sunk cost in either case. When the state sets the price of public education artificially low for the consumer—in this case at zero dollars—demand for the public service rises above where the market would otherwise set it. Conversely, the price of nonpublic schools is set by supply and demand, not by the state. These schools can compete with other nonpublic schools on price, but with public schools they can only compete on quality. Thus, enrollment in public and nonpublic schools likely does not reflect consumer preferences.

Public schools have a competitive advantage over nonpublic, not because consumers prefer them per se, but because their sticker price always remains at zero for the consumer. It comes as no surprise, therefore, that about 90% of Iowa's school aged children chose the free option to comply with the state mandate to attend school. Nonetheless, some families chose nonpublic schools despite the cost. If the price of nonpublic schools falls, marginal consumption of that service will rise. Education Savings Accounts effectively reduce the sticker price of nonpublic schools. This decline increases demand and creates a more level playing field, albeit still not an undistorted free enterprise environment. The result is a market where demand more closely reflects consumer preferences. If advocates of Iowa's ESA policy are correct, the data will bear this out and demonstrate ESAs give more families school choice. The Students First Act effectively serves as an economic field experiment that provides this data for ESAs in Iowa.

ANALYSIS OF K-12 ESA & CERTIFIED ENROLLMENT DATA

The Students First Act was adopted in 2023 to expand school choice to more Iowa students. Time and data will answer to what degree the legislation will be successful. As of writing, the state has released two years of ESA utilization and nonpublic school enrollment data since the law passed. More years of data would provide more insight, but the data currently available sheds some light on the program's progress. All the subsections under this section rely on certified K-12 enrollment data and ESA utilization data provided by the DOE.[12]

Iowa's ESAs have increased access to school choice

If lowering the effective cost of nonpublic schools indeed increased demand for such schools, then the Students First Act is accomplishing its architects' intent. As explained in the section of this report entitled "The Economics of ESAs," Iowa's ESA program effectively lowers the sticker price of nonpublic schools for families. If a new student enrolls in a nonpublic school using ESA dollars, that act demonstrates the student had demand for nonpublic education at a lower price. Lowering the cost of entry to the student's school of choice was the difference that led to the student attending that school. Thus, ESA utilization is the best indicator of whether Iowa's ESA program is having its intended effect of giving more students access to the school of their choice. Table 2 shows ESA utilization in the first two years of the program by type of participant.

TABLE 2. NEW ESA ACCOUNTS PER SCHOOL YEAR BY TYPE OF PARTICIPANT, 2023-24 TO 2024-25

Type of Student	2023-24	2024-25
New Kindergarten	3,513	3,960
New Public to Nonpublic Transfer	2,135	1,905
New FPL Eligible Nonpublic	11,109	5,204
Total New ESA Funded Accounts	16,757	11,069
Cumulative Total ESA Funded Accounts	**16,757**	**27,826***

Source: Iowa Department of Education

**The total number of existing, eligible nonpublic students in year 2 was 21,961. This includes year 1 kindergarten and public transfers who were both excluded from income limits once accepted to the program.*

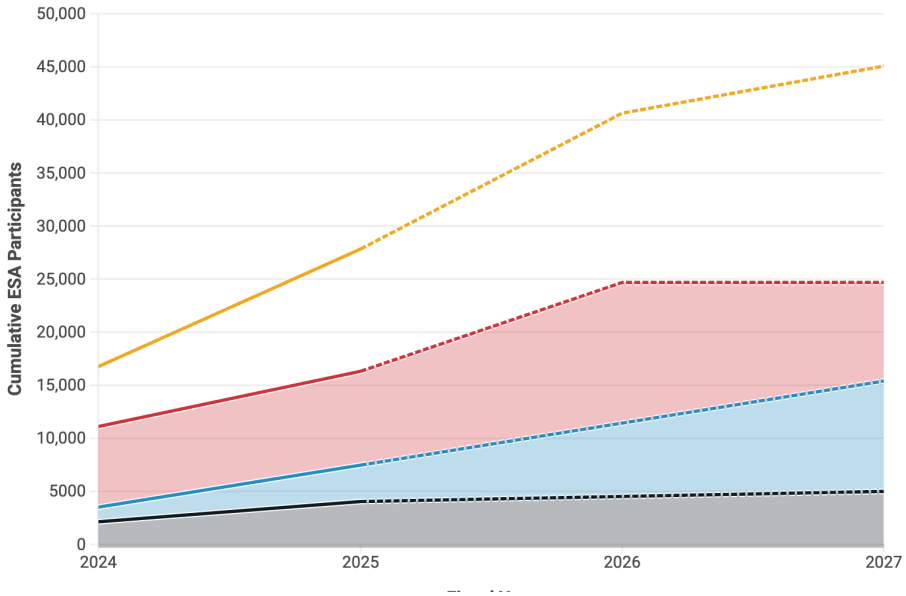
In FY 2024, 29,025 K-12 students applied for an ESA and the DOE approved 18,893 applications. That year, the legislature funded 16,757 ESAs, surpassing initial projections by 19.11%.[13] In FY 2025, applications increased to 35,417, with more than 30,000 approvals and 27,866 ESAs funded — 38.69% above expectations. However, the data from each of the three categories of students tell a unique story. Of the data in table 2, students transferring from a public to nonpublic school provides the most obvious evidence of latent demand for nonpublic schools.

In the first two years of Iowa's ESA program, more than 4,000 of Iowa's K-12 students transferred from their public school to a nonpublic school using their education savings account dollars. The initial utilization numbers suggest at least 4,000 students were not attending their preferred school prior to ESAs; lowering the cost barrier allowed at least some students to do so. Based on data from the first two years, CSI forecasts ESA utilization through FY 2027 in figure 1.

Each line represents the cumulative number of ESA accounts for each ESA student type. Common Sense Institute calculated the FY 2026 and FY 2027 projections using updated data from years one and two of the program and from assumptions classified by the Legislative Services Agency (LSA) in its initial fiscal note on Senate File 68, the bill that established the program. As of FY 2025, a total of 27,826 ESA accounts were funded. Common Sense Institute projects by FY 2027 a total of just more than 45,000 students will have an ESA account.

More than 16,300 current ESA recipients are existing nonpublic school students whose families' incomes came in under the FPL income limit set for the first two years on the program's phase-in. The remaining 11,500 accounts were designated to new kindergarteners and public to nonpublic transfers. Once these students were accepted into the program, they became automatically eligible for all future years with no income requirements.

FIGURE 1. CUMULATIVE ACTUAL AND PROJECTED ESA ACCOUNTS BY STUDENT TYPE, 2023-24 TO 2026-27



Source: CSI Calculations based on various Legislative Services Agency assumptions
Note: Dotted lines indicate projections, and solid lines actuals

In the first two years of the program, 58.6% of participants already attended a nonpublic school. These students do not definitively reflect an increase in demand for nonpublic school since their demand preexisted the program even at the higher price. However, with cumulative inflation over the last five years exceeding 23%, some of these families who could previously barely afford nonpublic schooling may have been forced to leave the school of their choice had they not had access to ESA dollars.[14] Because these participants have so far been limited to low- and middle-income families, many likely benefited in this way. Therefore, Iowa's ESA program advanced — or rather preserved — school choice even within this group. A later subsection of this report entitled "ESAs gave 4,500 students grades 1-12 access to school choice" attempts to identify the number of ESA recipients who fall into this group.

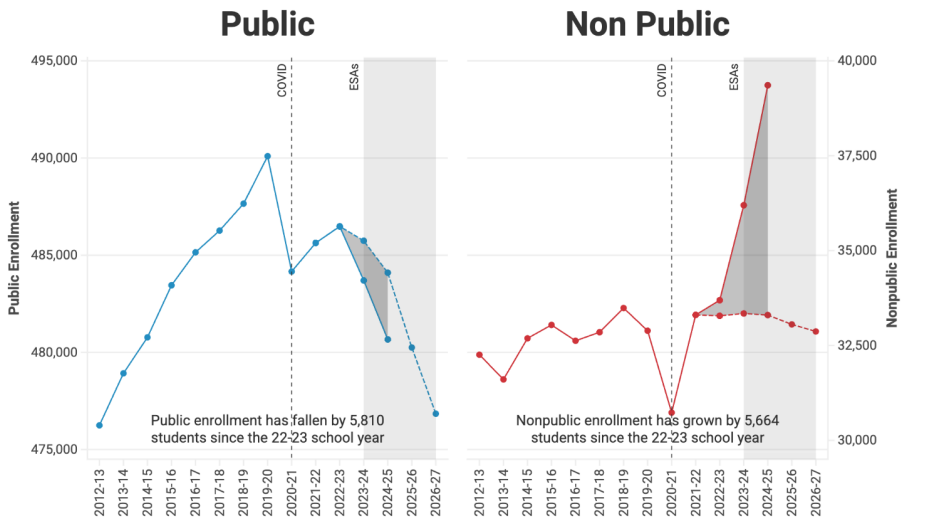
The 11,500 ESA participants who were either a first-time kindergartener or previously in a public school are most indicative of the demand level present *outside* existing nonpublic school students. These students comprise 41.4% of total participants in the first two years. However, only some of these students represent new demand for nonpublic schools. That is because some portion may have transferred or entered a nonpublic kindergarten even without ESAs. To differentiate the existing trend in nonpublic demand from the *new* demand thanks to reduced net prices, the next subsection analyzes public and nonpublic enrollment trends over the last decade.

ESAs accelerated the existing decline in public school enrollment

The certified enrollment data show demand for nonpublic schools increased and demand for public schools decreased when ESAs expanded school choice to more students starting in the 2023-24 school year. Public school enrollment grew at an average of 0.43% annually prior to the pandemic; nonpublic schools grew at 0.30% during the same period. Despite Iowa being the first state to reopen schools to in-person learning, the pandemic led to a major disruption in the state's public and nonpublic school systems, drastically altering enrollment growth. Estimates provided by the DOE in the 2021-22 school year projected public school enrollment would fall even without ESAs.[15] In fact, enrollment in public schools has declined more than originally projected. Meanwhile, enrollment in nonpublic schools has far exceeded projections made prior to enactment of the Students First Act. Figure 2 visualizes certified and projected enrollment trends in public and nonpublic Iowa schools.

The difference between public and nonpublic enrollment is stark. Enrollment in nonpublic schools declined only in FY 2021 and recovered the next year. The first boost in nonpublic enrollment occurred right after the pandemic. This change mostly reflects a return to school after the pandemic. In the following year, nonpublic enrollment grew by a modest 1.2%, reaching a new high of 33,692 students and exceeding the previous high of 33,485 seen four years prior. Additionally, FY 2023 enrollment in nonpublic schools exceeded the state's projection. This evolution suggests demand for nonpublic schools may have continued growing beyond expectations without ESAs, but one year of data cannot establish a trend. In the two years since ESAs became available, nonpublic school enrollment has exploded. Though it was growing above expectations before ESAs, the data strongly infer ESAs boosted demand for nonpublic schools. Enrollment in nonpublic schools has averaged a 5.66% rate of growth since FY 2023. Enrollment in public schools has declined by an average of 0.38% per year over the same period.[16]

FIGURE 2. PUBLIC AND NONPUBLIC SCHOOL ENROLLMENT IN IOWA, 2012-13 TO 2026-27



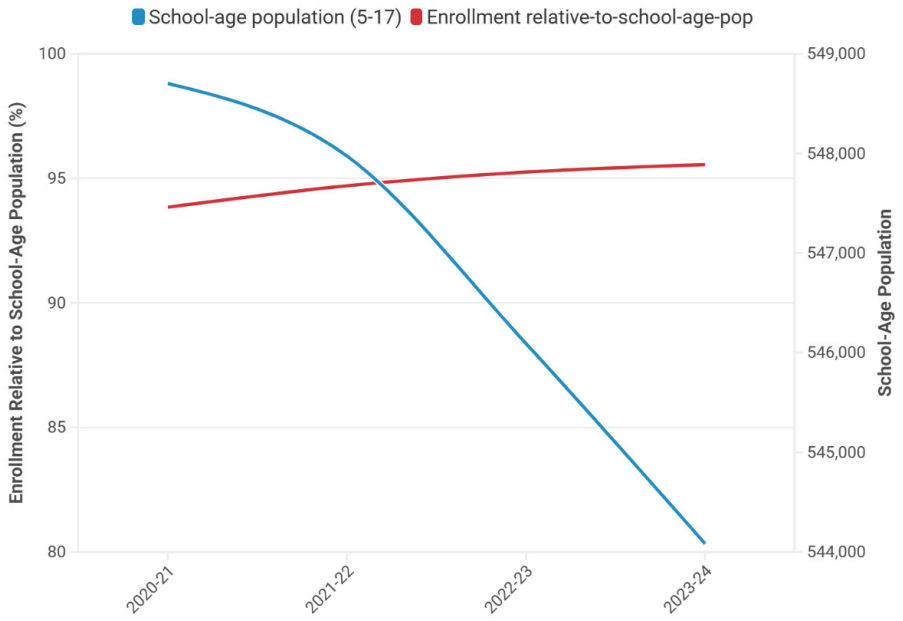
Source: Iowa Department of Education

Note: Dotted lines reflect the latest projections provided by the DOE from school year 2021-22. These projections did not account for the introduction of ESAs in the state. Solid lines represent actual enrollment.

Like nonpublic schools, public schools saw a sharp decline in enrollment during the pandemic and quick recovery thereafter. However, the public school recovery never brought enrollment back to pre-pandemic levels. Actual enrollment in public schools during the 2022-23 school year came in only nine students short of the state's projection, making the difference indiscernible in figure 2. These numbers suggest the state made reliable projections for enrollment without ESAs; those projections assumed an ongoing decline in public school enrollment before the creation of ESAs. The 2022-23 school year marked the highest enrollment year following the pandemic but was still 0.74% below the 2019-20 school year. The DOE projections and actual enrollment numbers suggest ESAs did not create the new downward trend in public school enrollment but rather accelerated the existing trend. Prior to ESAs, DOE projected enrollment would decline by 1.2% from its pre-pandemic peak by FY 2025. Actual enrollment declined by 1.9%—a 57% increase over the expected rate of decline. Of the decline that occurred over the last five years, 62% occurred in the last two years under the new ESA program. The department's assumptions stem from the expected and realized decline in the school-age population shown in figure 3.

While the DOE forecasted a steeper decline in public education than nonpublic education even before ESAs were introduced, the real extent of nonpublic enrollment growth is uncertain. Though there was a significant uptick in nonpublic enrollment once ESAs passed, a nationwide shift in public versus nonpublic enrollment may have already commenced regardless of ESAs. In other words, these data alone do not reveal with certainty what would have happened to public and nonpublic school enrollment in Iowa without ESAs. The counterfactual cannot be known for certain. However, public polling shows more than half of Americans believe the public K-12 education system is heading in the wrong direction, and 69% attribute that concerning trend to schools not spending enough time on core academic subjects.[17] Therefore, it can reasonably be assumed some portion of families already in the public education system may have transferred to nonpublic even without ESAs. Parsing this population's impact on nonpublic enrollment growth will help determine the new demand for nonpublic education options attributable to ESAs. The following subsection utilizes a difference-in-difference (DiD) model to estimate the share of nonpublic enrollment growth directly attributable to ESAs versus growth that would have happened anyway. In doing so, it provides additional evidence of the extent to which ESAs made the difference in giving participants access to the nonpublic school of their choice.

FIGURE 3. TOTAL ENROLLMENT RELATIVE TO THE SCHOOL-AGE POPULATION, 2020-21 TO 2023-24



Source: Iowa Department of Education, Census Bureau

DiD analysis shows ESAs gave 4,500 new students school choice

Common Sense Institute employed a DiD regression to evaluate the effects of Education Savings Accounts on nonpublic school enrollment in Iowa. Difference-in-difference regression is an econometric method used to compare changes in an outcome variable between a treatment group and a control group, allowing researchers to estimate the average effect of the treatment in question. This methodology accounts for differences in the treatment and control groups that may have been present before treatment took place. In this case, it accounts for the difference in school choice programs in Iowa versus similar Midwest states without a comparable program. The model relies on Iowa DOE certified enrollment data for K-12 students from each respective state.

This model identifies how much of the growth in nonpublic school enrollment post implementation is attributable to the ESA program. This comparative analysis method captures the trends in nonpublic school enrollment growth between the treated state, Iowa, and four control states: Nebraska, Kansas, South Dakota, and North Dakota. These four states serve as a baseline due to geographic proximity to Iowa, demographic similarities, and the absence of a comparable school choice program.[18] This group of controls helps isolate the effects of ESAs from broader factors influencing school enrollment trends. The regression used the following equation:

$$Nonpublic\ School\ Enrollment\ Growth_{it} = \beta_1(treated\ x\ post)_{it} + \beta_2 PopulationGrowth_{it+}\ \gamma_1 + \varepsilon_{it}$$

Nonpublic school enrollment growth represents the percentage change in nonpublic school enrollment for state *i* in year *t*, serving as the dependent variable. The interaction term "treated x post" is the key coefficient of interest. It is composed of the binary indicators from "post" and "treated." "Post" indicates years after ESA-implementation; "treated" differentiates between the treated and control state. Together, the interaction variable measures the difference in nonpublic school enrollment growth between Iowa and the control states after ESA implementation. If statistically significant, this coefficient provides evidence of a casual impact from ESA policies on nonpublic school enrollment trends. To control for broader time-related effects, the model also includes year fixed and state effects. These fixed effects account for state-level shocks, such as pandemic-driven declines in enrollment. Additionally, the model controls state-level population growth to account for broader demographic changes that could independently influence nonpublic school enrollment.

The model results indicate a strong correlation between the implementation of Iowa's ESA program and nonpublic school enrollment growth. The interaction variable was significant at the $p<0.01$ level, suggesting the deviation in nonpublic enrollment growth in Iowa and the control states is attributable to ESAs. Table 3 outlines the model's results.

Common Sense Institute's DiD model indicates that after ESA implementation nonpublic school growth increased by 6.36 percentage points more on average in Iowa compared to the control states. Rather than growing at an estimated rate of 1.06% and 2.37% in school years 2023-24 and 2024-25, Iowa nonpublic school enrollment grew 7.4% and 8.7%. According to the model, without ESAs nonpublic school enrollment would have grown from 33,692 in FY 2023 to roughly 34,860 in FY 2025. Because of ESAs, enrollment grew to 39,356, or 12.9% more than the expected amount without ESAs. This change amounts to 4,496 additional students who would not have enrolled in a nonpublic school without an ESA. This uptick is indicative of the unrealized demand for nonpublic education before ESAs lowered the effective cost.

But where was this *new* demand most concentrated? The following section, "Analysis of Kindergarten & 1-12 Enrollment Trends," breaks down the three student types and determines their expected and actual levels of nonpublic enrollment pre- and post-ESAs using trend analysis. This variation between the pre-ESA expectations and the post-ESA actual levels of enrollment will indicate the strength of *new* demand from families that would have otherwise not entered the nonpublic system.

TABLE 3: DIFFERENCE-IN-DIFFERENCE MODEL RESULTS

Variable	Nonpublic School Enrollment Growth
Treated x Post	6.36**
Population Growth	0.80
Fixed Year Effects	11
Fixed State Effects	5
Adjusted R^2	0.625

Source: Iowa Department of Education, Nebraska Department of Education, Kansas Department of Education, North Dakota Department of Public Instruction, South Dakota Department of Education, Census Bureau
*Note: p<0.01 **

ANALYSIS OF KINDERGARTEN AND 1-12 ENROLLMENT TRENDS

Of the three categories of ESA participants seen in tables 1 and 2, transfers provide the most clear and direct evidence of latent demand for school choice. If a parent proactively removed their child from the public school system and used ESA dollars to place them in a nonpublic school, it strongly suggests the family preferred the nonpublic option but did not initially chose it due to the price difference. However, this category likely understates the real demand. Some families may have started their child in a public school because of the cost barrier to their preferred nonpublic option. Nonetheless, removing the price barrier for a child already in the 10th grade in many cases will not persuade the parent to transfer a student out of their current public school to the originally preferred nonpublic school. Generally, transfers represent an inordinately strong desire to either leave the public school, enter the nonpublic, or both. Additionally, nonpublic school tuition generally costs more in high school than it does in kindergarten or elementary school. In many cases, an ESA will not reduce the effective cost of a nonpublic high school to zero since the average cost of high school tuition in Iowa exceeds the SCPP.[19] Thus, transferring a high schooler from a public to nonpublic school still means choosing to pay something rather than nothing. Again, such instances represent an especially strong demand for choice, but they do not represent the full demand that would be seen in a competitive market. New kindergarteners represent that best.

Kindergarten enrollment serves as the clearest indicator of the choice parents and their student children would make in an education market where the price of the public option is not artificially lower than the alternative. Families with incoming kindergarteners reflect fresh decisions without the inertia of prior schooling commitments. Parents who might have preferred nonpublic schooling starting in kindergarten, had ESAs been available, may later prove less likely to transfer their children out of public schools midstream. This reluctance could be to retain peer familiarity, academic consistency, or other possible factors. Though some parents may still choose the public school because a child has older siblings there, kindergarten ESA utilization data mostly eliminates these secondary factors present with transfers. Additionally, unlike with high schools, ESA dollars generally cover the full cost of nonpublic kindergarten, bringing the effective cost to zero — the same as a public kindergarten.[20] Because parents starting their child in kindergarten are comparing education products at the same effective price and their decision is not influenced by transfer considerations, this cohort best represents true demand for each type of schooling, public or nonpublic. However, other factors such as lack of awareness about ESAs, lack of transportation options to a nonpublic school, and sufficient supply of nonpublic kindergarten seats make even this analysis imperfect for assessing true demand.

Finally, ESA utilization by existing nonpublic FPL students provides much less concrete evidence of an increase in demand for school choice than the previous two groups. These students were already in the nonpublic school system before ESAs were implemented; they already had demand, at least in previous years, even without ESAs. However, some of this preexisting demand may have evaporated in FY 2024 and FY 2025 if not for ESAs. Therefore, ESAs increased school choice by some amount relative to the counterfactual even for existing nonpublic school students. This section parses out the impact of ESAs by each of the three categories of ESA eligibility described in the section "What is an ESA?" and shown in table 2:

1. Incoming Kindergarteners
2. Public to Nonpublic School Transfers
3. FPL Income-eligible Existing Nonpublic School Students

This section analyses the impact of ESAs relative to the counterfactual by comparing expected and actual nonpublic enrollment data for kindergarten and for grades 1-12. The kindergarten trend analysis stands alone in the first subsection and demonstrates the demand most closely representative of true demand in an undistorted market. It serves as the best indicator of where demand will trend long-term now that Iowa students can use their SCPP dollars to attend any public or nonpublic school of their choice. The second subsection analyses pre-ESA enrollment trends and actual enrollment data for all students in grades 1-12, parsing out transfers and income-eligible existing nonpublic students.

Notably, the analysis in this section uses a difference source for enrollment data than the previous section, "Analysis of K-12 ESA & Certified Enrollment Data." That section uses certified enrollment data provided by the Iowa DOE.[21] However, the department does not provide certified enrollment data broken out by grade. Rather, its "PK-12 Education Statistics" resource offers enrollment numbers for each individual grade going back to the 1991-92 school year.[22] This section of the report necessarily relies on this data, but total enrollment numbers in this resource differ slightly from state certified enrollment data. This data discrepancy leads to minor incongruencies between the findings from this section and findings from the previous section.

ESAs increased nonpublic kindergarten enrollment by up to 30%

Even without ESAs, some number of incoming kindergartners would attend a nonpublic school each year. Those students are counted in ESA utilization numbers along with those for whom ESAs made the difference between selecting a public or nonpublic kindergarten. To capture the increase in demand for nonpublic kindergarten attributable to ESAs, CSI calculated the expected pre-ESA number of kindergarteners and compared it to actual enrollment data. This exercise estimates the magnitude of the impact ESAs had on nonpublic kindergarten enrollment in a similar way to a DiD model but without statistical significance and strength of correlation. Common Sense Institute calculated pre-ESA estimates using the average 10-year growth rate in the share of nonpublic kindergarteners relative to all kindergarteners in Iowa. Between the 2012-13 and 2022-23 school years, the average annual growth rate in this share was 0.62%. Based on this 10-year average, CSI used the total number of kindergarteners in the 2023-24 and 2024-25 school years to estimate the expected nonpublic numbers without the ESA program. Table 4 shows the expected and actual number of kindergarteners during the first two years of ESAs.

Without ESAs, nonpublic schools would have only captured 7.99% to 8.04% of the total kindergarten population. This amounts to 3,231 students in both 2023-24 and 2024-25. Instead, actual nonpublic kindergartens accounted for 9.5% and 10.51% of the entire kindergartener population, or 1.5 to 2.5 percentage points more than what would have been without the program. This outcome means the program extended school choice to an additional 993 kindergarteners in the 2024-25 current school, or an increase of 30.7% relative to the counterfactual. It increased the cohort by 612 in year one. Together, over the last two school years, this shift amounts to 1,605 more nonpublic kindergarteners enrolled in nonpublic schools than would have enrolled without ESA dollars. This finding is indicative of a major shift in demand among the general population. Figure 4 visualizes the nominal trend in nonpublic kindergarteners before and after ESA implementation.

TABLE 4. CSI PROJECTED ENROLLMENT WITHOUT ESA VS. ACTUAL ENROLLMENT, KINDERGARTEN, 2023-24 AND 2024-25

Kindergarteners	2023-24	2024-25
Nonpublic Share of all Kindergarteners		
Expected	7.99%	8.04%
Actual	9.50%	10.51%
Nonpublic Number of Kindergarteners		
Expected	3,231	3,231
Actual	3,843	4,224

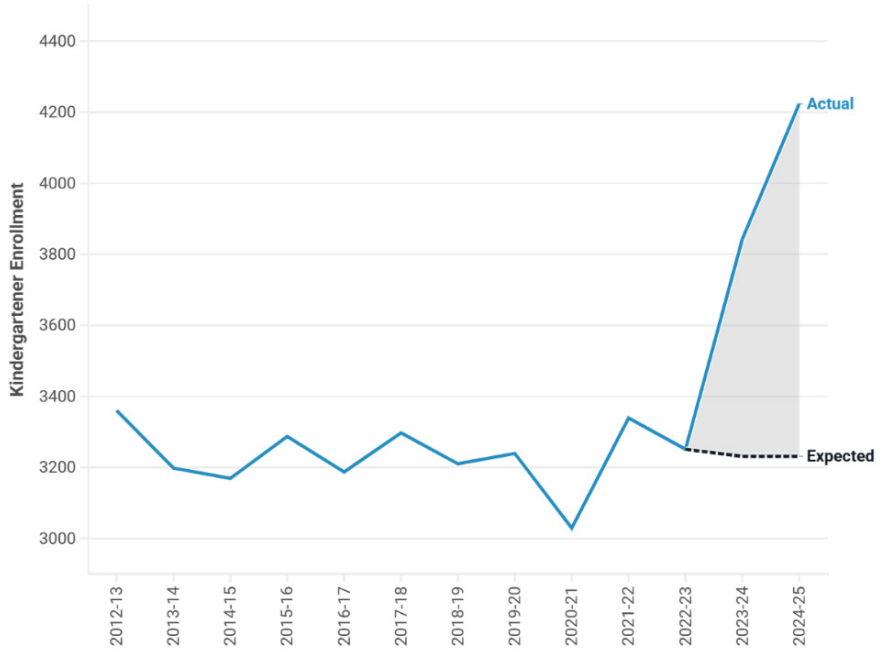
Source: Iowa Department of Education, CSI Calculations

A surge in nonpublic kindergarten enrollment occurs at year one of the program and continues into year two. The black dotted line in figure 4 shows CSI's projection of hypothetical nonpublic kindergarten enrollment prior to Iowa's ESA program. The blue line shows actual enrollment. The demand associated with ESAs is clear by the difference in expected and actual enrollment trends. However, not *all* nonpublic kindergarteners utilized ESAs in either year of implementation. As shown in table 2, 3,513 kindergarteners participated in the program in year one, and 3,960 did in year two. These numbers mean only 91.41% and 93.75% utilized ESAs in each year, though all were permitted to do so.

Available data provides no explanation for why some families of nonpublic kindergarteners did not use ESAs. Some families may have enrolled their child in a nonpublic kindergarten after the ESA deadline but before the DOE's enrollment count in October. If this was the case, these families may have wanted to secure a competitive nonpublic seat regardless of missing out on ESA benefits that school year. Enrolling in the school—with or without ESA dollars—secures them an ESA-funded nonpublic seat in future years, benefiting the family over the long term. Alternatively, some families may have been unaware of Iowa's ESA program and planned to enroll their child in nonpublic kindergarten anyway. If this assumption explains the entire discrepancy, a surge of 594 nonpublic kindergarteners above the trend would have occurred without ESAs. If that was indeed the case, this portion of the increase over the last two years had a coincidental rather than causal relationship to ESAs. Thus, under this assumption ESAs affected an increase of just 1,011 new nonpublic kindergarteners relative to the counterfactual.

The truth may lie somewhere in the middle: ESAs caused kindergarten enrollment over the last two years to increase by some amount between about 1,000 and 1,600 kindergarteners above the pre-ESA trend.

FIGURE 4. NONPUBLIC KINDERGARTEN STUDENTS AND KINDERGARTEN ESA RECIPIENTS, 2012-13 TO 2024-25



Source: Iowa Department of Education, CSI Calculations
Note: The black dotted line represents the 10-year trend prior to Iowa's ESA program. The green bars denote kindergarten ESA recipients.

ESAs gave 4,500 students grades 1-12 access to school choice

While public transfers and existing nonpublic students in grades 1-12 are not as indicative of true demand without price distortions as kindergarteners are, these students can still provide useful insight into how families react to the tuition discount ESAs provide. In the first ESA year, the students in this group include public to nonpublic transfers and existing nonpublic FPL participants. In the second year, it includes those students plus ESA kindergartners who graduated to the first grade.

As explained in the introduction to this section, transferring from a public to nonpublic school often comes with tangible and intangible costs despite the aid ESAs provide. Therefore, transfers that do occur represent an overall much stronger desire for an alternative to public schools. Additionally, if the data show higher retention among FPL students relative to the counterfactual, that suggest ESAs allowed students to remain at their nonpublic school who otherwise would have been priced out and forced to transfer to a public school. To understand the impact of ESAs on grade 1-12 nonpublic enrollment, CSI analyzed the trend in the share of nonpublic students relative to all Iowa students. Prior to Iowa's ESA program, the 10-year annual growth rate for this group was 0.18%, much lower than kindergarteners. Table 5 shows the expected and actual number of nonpublic students during the first two years of ESAs.

TABLE 5. CSI PROJECTED ENROLLMENT WITHOUT ESA VS. ACTUAL ENROLLMENT, GRADES 1-12, 2023-24 AND 2024-25

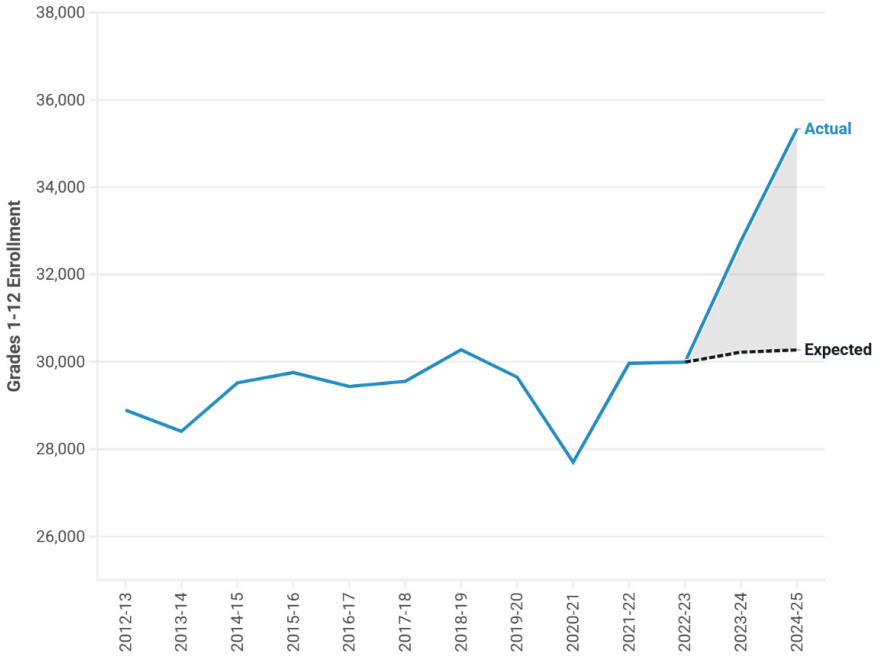
Variable	Nonpublic School Enrollment Growth
Treated x Post	6.36**
Population Growth	0.80
Fixed Year Effects	11
Fixed State Effects	5
Adjusted R^2	0.625

Source: Iowa Department of Education, Nebraska Department of Education, Kansas Department of Education, North Dakota Department of Public Instruction, South Dakota Department of Education, Census Bureau
Note: p<0.01 **

Common Sense Institute estimates that without ESAs nonpublic students would have made up just 6.36% to 6.38% of combined public and nonpublic students in grades 1-12 each year, respectively, or about 30,200 students each year. Instead, nonpublic enrollment grew by 6.9% and 7.44%. That gulf means Iowa had 5,117 more nonpublic school enrollees in grades 1-12 this year than it would have without ESAs. While ESAs are responsible for the entire increase, a portion of them are kindergarten students from year one of the program entering the first grade in year two. For this reason, subtracting out the 612 kindergarten students who joined the nonpublic system thanks to ESAs in year one will avoid double counting them in the cohort. Therefore, over the last two school years ESAs enabled 4,505 nonpublic school students to join or remain in nonpublic schools. Figure 5 visualizes the enrollment trend and actual enrollment for grades 1-12. The difference between the actual and expected enrollment numbers—minus the double counted kindergarteners—is attributable to Iowa's ESA program. However, this analysis alone does not parse out which of these are transfers from public schools and which are FPL participants who remained in a nonpublic school with the help of an ESA.

Over the last two years, 4,040 students transferred from public to nonpublic schools, as seen in table 2. This number leaves 465 new students unaccounted for. It could be that, as with kindergarteners, a portion of transfer students simply did not use ESAs for one reason or another despite being eligible. However, this explanation makes less sense for transfers. As explained in the introduction to this section, moving a child from a public to nonpublic school constitutes a deliberate change of course with additional hurdles not relevant to incoming kindergarteners. That a sudden change in trend corresponds directly with a change in incentives strongly supports the thesis that all, or nearly all, transfers represented an increase in nonpublic school enrollment attributable that incentive change—namely, the availability of ESA dollars. Therefore, FPL participants likely account for most—if not all—of the remaining increase in nonpublic enrollment above the pre-ESA trend. If not for ESAs, these 465 students would have transferred out of their existing nonpublic school to a public school. The impact of record inflation in the post-pandemic years supports this assumption.

FIGURE 5. NONPUBLIC STUDENTS GRADES 1 THROUGH 12, 2012-13 TO 2024-25



Source: Iowa Department of Education, CSI Calculations
Note: The black dotted line represents the 10-year trend prior to Iowa's ESA program. The green bars denote kindergarten ESA recipients.

In January 2025, the typical Iowa household spent $1,133 per month more than it did in 2020 to maintain the same standard of living.[23] Unless inflation falls to zero or below, that number will continue to rise, bringing the total to around $14,000 for the year. The past five years of inflation costs families about the same amount each year as average tuition for two Iowa nonpublic school students.[24] In year one of Iowa's ESA program, the average household income for existing nonpublic FPL students was $62,199 according to the Iowa DOE.[25] This group made up 60% of all accepted ESA students and 66.3% of all enrolled ESA students. Average nonpublic school tuition for just one student would consume about 11.2% of the average family's income from this group of participants. Put plainly, the families in this group were not wealthy. The average family had a household income 23% below Iowa's median household income in 2023, in fact.[26] Undoubtedly, they made significant sacrifices to give their child or children school choice. They paid taxes to cover other children's education in the public school system and tuition so their child could have school choice. The record inflation drove the opportunity cost of attending a nonpublic versus public school even higher. Access to ESA dollars allowed more students to remain in the nonpublic school of their choice despite rising cost of living.

Trend analysis shows ESAs gave up to 6,100 K-12 students school choice

Taken together, CSI's trend analyses found that between 5,517 and 6,111 more K-12 students are enrolled in a nonpublic school today than would have been enrolled without ESAs. Of these, kindergarteners accounted for 1,000 to 1,600, transfers for roughly 4,000, and existing nonpublic FPL students for nearly 500. According to the DOE education statistics data used in this section, total nonpublic enrollment increased by 6,319 students from before ESAs to today. Based on this analysis and data set, between 87% and 97% of the increase in nonpublic school enrollment is attributable to ESAs.

In the final school year prior to ESAs, 2022-23, just 6.35% of grade 1-12 students were enrolled in a nonpublic school. For the 2024-25 school year, the share rose to 7.44%. Demand among these students has thus risen by just 17.2%. This year, 16.6 of those percentage points are attributable to the difference ESAs made. In other words, demand would have increased by 0.6% even without ESAs. As explained in the introduction to this section, increase in demand from this group is less than for incoming kindergarteners because of some parents' unwillingness to transfer their kids out of their existing public school. Also, while nonpublic kindergartens generally have the same effective price of zero dollars as a public one when using an ESA, that may not continue to be the case in higher grades. Thus, data from higher grades—especially high school—is less reflective of true demand absent price constraints than kindergarten data.

Iowa's ESA program had much stronger impact on kindergarten data than on data for grades 1-12. In the year prior to ESAs, 2022-23, just 7.94% of kindergarteners were enrolled in a nonpublic school. In 2024-25, the share jumped to 10.51%. Demand has risen by an astounding 32.7%. For 2024-25, up to 30.7 of those percentage points are attributable to the difference ESAs made. Demand would have increased by 2% without ESAs. If incoming kindergarteners indeed offer the most accurate representation of true demand for public versus nonpublic schools, enrollment in these schools will continue to rise for another decade after Iowa's ESA program becomes universal during the 2025-26 school year. As existing grades with lower nonpublic school enrollment age out of the K-12 system each and new school entrants with higher demand enter the system, overall nonpublic enrollment will climb as a share of total enrollment. This increase will finally normalize 13 years after the first ESA year when the last class that started kindergarten without ESAs graduates from high school.

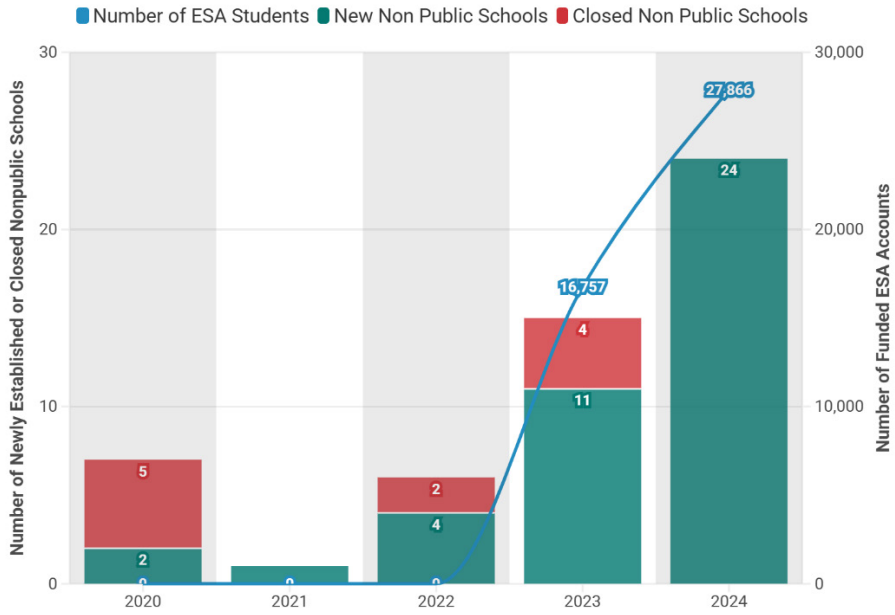
While based on a different data set, the DiD regression analysis from the subsection of this report entitled "DiD analysis shows ESAs gave 4,500 new students school choice" came to a more conservative conclusion than the trend analysis. It found ESAs increased enrollment in nonpublic schools by nearly 4,500 students over the last two years relative to the counterfactual among students not already attending nonpublic schools. Unlike the trend analyses found in this section, the DiD analysis provides an estimate with statistical significance and strength of correlation while at the same time controlling for fixed state, year, and population effects. This difference may account for the more conservative estimate using the DiD analysis. Based on DOE certified enrollment data, total nonpublic enrollment increased by about 5,700 students. Given the analysis and data set, about 80% of that rise is attributable to ESAs. Looking at both analyses, CSI estimates that of the 11,513 K-12 students who used ESAs in the first two years of the program and *were not already in a nonpublic school,* between 4,496 and 5,646 students would not have had access to the school of their choice without ESAs.

While the impact of the ESA program on school choice is clear, a barrier to entry may still exist for new nonpublic students: lack of supply. Across both years of ESAs, more than 2,000 accepted students were unable to utilize their ESA account in that school year, likely because they were not accepted into the nonpublic school to which they applied. These values come from the subsection "Iowa's ESAs have increased access to school choice." Therefore, as supply continues to catch up with demand, enrollment could continue to grow. The next section of this report entitled "Change in Nonpublic School Supply" investigates supply of nonpublic school slots pre- and post-ESA implementation to shed light on whether supply is increasing to meet new demand.

CHANGE IN NONPUBLIC SCHOOL SUPPLY

Past research suggests the private sector can respond to public policies impacting demand for nonpublic schools in a relatively quick fashion.[27] While the supply of nonpublic school seats is relatively inelastic in the short term without public funding, the introduction of public dollars to the nonpublic school system through ESAs should accelerate the pace of new and expanding seats. In fact, Iowa has already experienced a significant increase in nonpublic school supply since the implementation of ESAs. In the 2023-24 school year, the state saw a net increase of seven new nonpublic schools, up from two the previous year. In the 2024-25 school year, this number jumped to 24 new nonpublic schools—a record expansion. Many of these new schools have been able to fund operating costs thanks to ESA funding, demonstrating that the market is responding to new incentives and meeting the rising demand for school choice.[28] This outcome shows there is a market for this demand and that supply is catching up to meet it. Parents have been able to reallocate unlocked public dollars to nonpublic schools—thereby fueling this growth in supply. Figure 6 illustrates the sharp increase in the number of newly established nonpublic schools following the introduction of ESAs.

FIGURE 6. NEW AND CLOSED NONPUBLIC SCHOOLS, 2020-2024.



Source: Iowa Department of Education

Source: Iowa Department of Education

The growth in newly incorporated nonpublic schools suggests nonpublic school supply is quickly responding to the increase in demand. A recent study out of Brown University suggests tuition prices may also be responding to that increase in demand.[29] While more research needs to be done to determine the full impact of ESAs on tuition costs, more supply means demand is being met, which will help stabilize possible price fluctuations and establish a new price equilibrium. The new tuition price equilibrium may be higher than the pre-ESA tuition level while ESAs still make nonpublic school more affordable to the consumer. For example, if tuition at a nonpublic school was $10,000 before Iowa's ESA program began and rose by 10% to $11,000 as the Brown University study suggests, ESAs still lowered the sticker price for the student from $10,000 to $3,174 in FY 2025. If tuition increases do not exceed the monetary value of an ESA, then the program still results in a net price reduction for consumers, effectively increasing access to school choice. Common Sense Institute may explore this relationship between supply and demand in the nonpublic school system in a later report.

BOTTOM LINE

Wealthy families have always had school choice. They can afford to buy a home in the public school district they prefer or pay tuition for a nonpublic school.[30] With the Students First Act, Iowa policymakers sought to extend choice to everyone. They aimed to accomplish this by allowing state dollars to follow students to nonpublic schools, effectively reducing the cost barrier. The data from the first two years of Iowa's ESA program substantiates that this approach has so far achieved its intended effect, at least to some extent. Iowa's ESA program demonstrates strong and growing demand for school choice, as evidenced by increasing enrollment in nonpublic schools and rising nonpublic school supply. The program has effectively expanded educational options, particularly for families previously unable to afford nonpublic schooling. However, the full impact of ESAs will likely not be entirely realized for another a decade.

The data show some Iowa K-12 students in public schools prefer to attend nonpublic schools and will transfer if their effective tuition costs drops low enough. However, many parents who may have preferred to start their child in a nonpublic school in kindergarten will not transfer the student even if ESAs make that option available to them later. Hence, among students not previously enrolled at a nonpublic school, ESA utilization in Iowa has been highest among incoming kindergarteners. While some of these students may transfer to a public school as they enter middle school or high school—especially if their ESA account no longer covers their full tuition—this group most closely reflects the new long-term demand level for nonpublic schools. A sharp rise in access to school choice is seen through rising nonpublic school enrollment in the first two years of Iowa's ESA program. That sharp rise will likely continue in the third year when it becomes fully universal for all K-12 students in Iowa.

However, because new nonpublic school demand is highest among incoming kindergarteners, CSI does not expect the impact of ESAs to level out in year four.

Because of ESAs, CSI anticipates demand for nonpublic schools to continue to climb gradually for another decade as each new kindergarten class advances through school and students who chose a school prior to the Students First Act age out of the K-12 system. As that shift happens, nonpublic schools will increase supply to meet the growing demand. About 13 years after enactment of the Students First Act, the demand for and supply of nonpublic schools will plateau, and Iowa will have a "new normal" of public and nonpublic schools' share of total K-12 enrollment. Some families and students will choose to attend a public school and others will choose a nonpublic school or homeschooling; based on the data from the first two years, more of Iowa's K-12 students than ever will be attending the school of their choice.

REFERENCES

1. Senate File 68, 90th General Assembly, State of Iowa (2024), https://www.legis.iowa.gov/legislation/BillBook?ga=90&ba=HF+68.
2. Iowa Governor's Office, "Gov. Reynolds signs Student First Act into law," press release, January 24, 2023, https://governor.iowa.gov/press-release/2023-01-24/gov-reynolds-signs-students-first-act-law.
3. Iowa Governor's Office, "Gov. Reynolds signs Student First Act into law," press release, January 24, 2023, https://governor.iowa.gov/press-release/2023-01-24/gov-reynolds-signs-students-first-act-law. "Public schools are the foundation of our education system and for most families they will continue to be the option of choice, but they aren't the only choice...For some families, a different path may be better for their children. With this bill, every child in Iowa, regardless of zip code or income, will have access to the school best suited for them."
4. Iowa General Assembly, *Fiscal Note: HF 68*, by Jennifer Acton, Legislative Services Agency (May 24, 2023), https://educate.iowa.gov/pk-12/educational-choice/education-savings-accounts.
5. Iowa General Assembly, *Fiscal Note: HF 68*, by Jennifer Acton, Legislative Services Agency (May 24, 2023), https://www.legis.iowa.gov/docs/publications/FN/1374191.pdf.
6. Iowa Department of Education, "Iowa's Students First Act ESA Program," May 25, 2023, https://educate.iowa.gov/media/8595/download?inline.
7. Iowa Governor's Office, "Iowa's Students First Education Savings Account program generates more than 29,000 applications," press release, July 6, 2023, https://governor.iowa.gov/press-release/2023-07-06/iowas-students-first-education-savings-account-program-generates-more.
8. Iowa Governor's Office, "Iowa's Students First Education Savings Account program generates more than 29,000 applications," press release, July 6, 2023, https://governor.iowa.gov/press-release/2023-07-06/iowas-students-first-education-savings-account-program-generates-more.
9. Iowa General Assembly, *Fiscal Note: HF 68*, by Jennifer Acton, Legislative Services Agency (May 24, 2023), https://www.legis.iowa.gov/docs/publications/FN/1374191.pdf.
10. Chendroyaperumal, Chendrayan, *The First Laws in Economics and Indian Economic Thought – Thirukkural* (January 29, 2010), Available at SSRN, https://ssrn.com/abstract=1545247 or http://dx.doi.org/10.2139/ssrn.1545247.
11. Iowa Code § 299.1A.
12. Iowa Department of Education, "Certified Enrollment," https://educate.iowa.gov/pk-12/data/data-collections/certified-enrollment; Iowa Department of Education, "Certified enrollment for 2023-24 holds steady; 16,757 ESA participants enrolled at Iowa accredited nonpublic schools," January 26, 2024, https://educate.iowa.gov/press-release/2024-01-26/certified-enrollment-2023-24-holds-steady-16757-esa-participants-enrolled-iowa-accredited-nonpublic.; Iowa Department of Education, "Certified enrollment for 2024-25 holds steady; 27,866 students participating in the ESA program," January 17, 2025, https://educate.iowa.gov/press-release/2025-01-17/certified-enrollment-2024-25-holds-steady-27866-students-participating-esa-program.
13. Iowa General Assembly, *Fiscal Note: HF 68*, by Jennifer Acton, Legislative Services Agency (May 24, 2023), https://www.legis.iowa.gov/docs/publications/FN/1374191.pdf.
14. Andrzej Wieciorkowski, "Inflation in the Midwest – January 2025," Common Sense Institute, February 12, 2025, https://www.commonsenseinstitute-us.org/iowa/research/jobs-and-our-economy/inflation-in-the-midwest-january-2025.
15. Iowa Department of Education, "Iowa Public School District Level Certified Enrollment 2017-2018 to 2021-2022 and Certified Enrollment Projections 2022-2023 to 2026-2027," Excel document, https://educate.iowa.gov/media/8294/download?inline.
16. Philip Joens and Ian Richardson, "Schools dop face-covering requirements after Reynolds signs new law that bans mask mandates," Des Moines Register, May 22, 2021, https://www.desmoinesregister.com/story/news/2021/05/20/iowa-mask-mandate-ban-gov-kim-reynolds-requirements-schools-cities/5180015001/.
17. Rachel Minkin, "About half of Americans say public K-12 education is going in the wrong direction," Pew Research Center, April 4, 2024, https://www.pewresearch.org/short-reads/2024/04/04/about-half-of-americans-say-public-k-12-education-is-going-in-the-wrong-direction/.
18. EdChoice, "School Choice in America," Dashboard, accessed February 26, 2025, https://www.edchoice.org/school-choice-in-america-dashboard-scia/. Across the four control states, the only school choice programs available involve tax credits and/or scholarships.
19. Iowa Private High Schools By Tuition Cost, 2024-25, https://www.privateschoolreview.com/tuition-stats/iowa/high.
20. Iowa Private Elementary Schools By Tuition Cost, 2024-25, https://www.privateschoolreview.com/tuition-stats/iowa/elementary.
21. Iowa Department of Education, "Certified Enrollment," https://educate.iowa.gov/pk-12/data/data-collections/certified-enrollment.

REFERENCES

22. Iowa Department of Education, "PK-12 Education Statistics," under "PreK-12 Enrollments by Grade, Race and Gender," https://educate.iowa.gov/pk-12/data/education-statistics.

23. Andrzej Wieciorkowski, "Inflation in the Midwest – January 2025," Common Sense Institute, February 12, 2025, https://www.commonsenseinstitute-us.org/iowa/research/jobs-and-our-economy/inflation-in-the-midwest-january-2025.

24. https://www.privateschoolreview.com/tuition-stats/iowa.

25. Iowa Governor's Office, "Iowa's Students First Education Savings Account program generates more than 29,000 applications," press release, July 6, 2023, https://governor.iowa.gov/press-release/2023-07-06/iowas-students-first-education-savings-account-program-generates-more

26. U.S. Census Bureau, "Median Household Income in Iowa [MEHOINUSIAA646N]," retrieved from FRED, Federal Reserve Bank of St. Louis, February 26, 2025, https://fred.stlouisfed.org/series/MEHOINUSIAA646N.

27. Michael Dinerstein and Troy D. Smith, "Quantifying the Supply Response of Private Schools to Public Policies," American Economic Review 111 (10): 3376–3417, 2021, https://economics.nd.edu/assets/153414/dinerstein_michael_jmp.pdf.

28. Connor O'Neal, "Empigo Academy opens in Des Moines thanks to ESA funding," WeAreIowa, September 19, 2024, https://www.weareiowa.com/article/news/education/empigo-academy-opens-in-des-moines-with-help-from-esa-funding/524-5ec8a728-1d46-41c2-98f5-971d596bbb9e.

29. Jason Fontana and Jennifer L. Jennings, "The Effect of Taxpayer-Funded Education Savings Accounts on Private School Tuition: Evidence from Iowa," EdWorkingPaper: 24-949, Retrieved from Annenberg Institute at Brown University, 2024, https://edworkingpapers.com/sites/default/files/ai24-949.pdf.

30. EdChoice, "The Rich, The Poor and School Choice: What You Need to Know," August 3, 2017, https://www.edchoice.org/engage/rich-poor-school-choice-what-you-need-to-know/.