

ARIZONA HOUSE OF REPRESENTATIVES  
Fifty-sixth Legislature - First Regular Session

HOUSE AD HOC STUDY COMMITTEE ON EMPOWERMENT SCHOLARSHIP  
ACCOUNTS GOVERNANCE AND OVERSIGHT

Report of Interim Meeting  
Wednesday, September 20, 2023  
House Hearing Room 3 -- 2:00 P.M.

Convened 2:03 P.M.

Recessed

Reconvened

Adjourned 3:49 P.M.

MINUTES RECEIVED  
CHIEF CLERK'S OFFICE

9/28/23

Members Present

Representative Toma, Chairman  
Mr. Matthew Beienburg  
Representative Gutierrez  
Mr. Matthew Ladner  
Representative Pingerelli  
Representative Quinonez  
Mr. John Ward

Members Absent

Ms. Eileen Klein

Agenda

Original Agenda – Attachment 1

Request to Speak

Report – Attachment 2

Committee Attendance

Report – Attachment 3

Presentations

Name

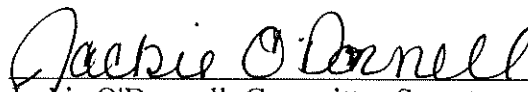
Alan E. Maguire

Organization

The Maguire Company

Attachments (Handouts)

4



Jackie O'Donnell, Committee Secretary

September 28, 2023

(Original attachments on file in the Office of the Chief Clerk; video archives available at <http://www.azleg.gov>)

Interim agendas can be obtained via the Internet at <http://www.azleg.gov/Interim-Committees>

# ARIZONA HOUSE OF REPRESENTATIVES

## INTERIM MEETING NOTICE OPEN TO THE PUBLIC

*convened: 2:03pm  
adjourned: 3:49pm*

### HOUSE AD HOC STUDY COMMITTEE ON EMPOWERMENT SCHOLARSHIP ACCOUNTS GOVERNANCE AND OVERSIGHT

**Date:** Wednesday, September 20, 2023

**Time:** 2:00 P.M.

**Place:** HHR 3

Members of the public may access a livestream of the meeting here:  
<https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2023091003>

### AGENDA

1. Call to Order
2. Introduction of Committee Members
3. Discussion of the Committee Agenda, Speaker Toma
4. Presentation:
  - Alan Maguire
5. Committee Discussion
6. Public Testimony
7. Adjournment

### Members:

Representative Ben Toma, Chair  
 Representative Nancy Gutierrez  
 Representative Beverly Pingerelli  
 Representative Judy Schwiebert  
 Representative Marcelino Quiñonez  
 Mr. Matthew Beienburg

Governor-Kathleen-Hobbs  
 Ms. Eileen Klein  
 Dr. Matthew Ladner  
 Mr. John Ward

09/06/2023  
 09/13/2023  
 09/15/2023  
 09/18/2023  
 09/19/2023  
 VC  
 RA

People with disabilities may request reasonable accommodations such as interpreters, alternative formats, or assistance with physical accessibility. If you require accommodations, please contact the Chief Clerk's Office at (602) 926-3032 or through Arizona Relay Service 7-1-1.

# Information Registered on the Request to Speak System

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## *House Ad Hoc Study Committee on Empowerment Scholarship Accounts Governance and Oversight (9/20/2023)*

### **6, Public Testimony**

#### **Support:**

John Arthurs , representing self; Jason Paul, representing self; Kathy Boltz, representing self

#### **Neutral:**

Raquel Mamani, representing self; Alicia Lucas, representing self; Leda DeVlieger, representing self; marcia stewart, representing self; Catherine Sigmon, representing self; Rachael Clawson, representing self

#### **Oppose:**

Lisa Calderon, representing self; Judith Simons, representing self; Emily Norton, representing self

#### **All Comments:**

Kathy Boltz, Self: The ESA program needs to be accountable and transparent.; Lisa Calderon, Self: I am a Chandler Parent and choose Arizona Public schools. I would like more accountability and transparency for the ESA voucher program.; Judith Simons, Self: Public money subsidizing private (mostly religious) school education with no financial or academic oversight is unacceptable. Voters support & parents choose public schools, which have strict transparency & accountability requirements.; Emily Norton, Self: ESA vouchers are irresponsible use of public funds because there is no accountability or oversight. We are funding private school for people who have never used public schools. We do not require testing or background checks. So irresponsible!; Raquel Mamani, Self: I am concerned about the rapid growth of the ESA program. There should be the same transparency and accountability measures on this program as our public schools.; Alicia Lucas, Self: The ESAs have no transparency nor accountability. They are poised to bankrupt our state. This lack of accountability paired with out of control cost is completely irresponsible. It reminds me of the Alt fuels fiasco. It must be reined in.; Leda DeVlieger, Self: I am greatly concerned that the ESA program is growing so rapidly and the Public Schools that most parents (including me) choose are still very underfunded. ESA's need to have the same accountability and transparency as public schools.; marcia stewart, Self: I am a strong supporter of public education and very concerned of our children's future in AZ; Catherine Sigmon, Self: I am greatly concerned about public education funding and worried that the skyrocketing number of ESA students will bust the budget & defund public schools; Rachael Clawson, Self: I hope that this ad hoc committee sets out to do what it was intended and provide some transparency and accountability for this incredibly costly program.

**PLEASE COMPLETE THIS FORM FOR THE PUBLIC RECORD**



**HOUSE OF REPRESENTATIVES**

Please PRINT Clearly

Committee on Ad Hoc ESA Bill Number \_\_\_\_\_

Date 9/20/23  Support  Oppose  Neutral

Name Jeff Gales Need to Speak?  Yes  No

Representing Pnx Christian Are you a registered lobbyist? NO

Complete Address \_\_\_\_\_

E-mail Address JB@pncchristian.org Phone Number 602-950-2099

Comments: \_\_\_\_\_

\*\*\*FIVE-MINUTE SPEAKING LIMIT\*\*\*

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**HOUSE OF REPRESENTATIVES**

Please PRINT Clearly

Committee on E.S.A./Ad Hoc Bill Number 0

Date 9-20-2023  Support  Oppose  Neutral

Name William Yohey Need to Speak?  Yes  No

Representing 0 Are you a registered lobbyist? NO

Complete Address 7050 E. Sunrise Dr. Tucson - 85750

E-mail Address weyy99@hotmail Phone Number 520-345-6295

Comments: \_\_\_\_\_

\*\*\*FIVE-MINUTE SPEAKING LIMIT\*\*\*

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**HOUSE OF REPRESENTATIVES**

Please PRINT Clearly

Committee on ESA Bill Number \_\_\_\_\_

Date 9/20/23  Support  Oppose  Neutral

Name Kathy Boltz Need to Speak?  Yes  No As needed

Representing self Are you a registered lobbyist? No

Complete Address 4628 E Buist Ave Phoenix AZ 85044

E-mail Address kboltzphd@gmail.com Phone Number \_\_\_\_\_

Comments: \_\_\_\_\_

\*\*\*FIVE-MINUTE SPEAKING LIMIT\*\*\*

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**HOUSE OF REPRESENTATIVES**

Please PRINT Clearly

Committee on ESA Bill Number \_\_\_\_\_

Date 9/20/2023  Support  Oppose  Neutral

Name PATRICIA MAESCH Need to Speak?  Yes  No

Representing self Are you a registered lobbyist? No

Complete Address 1471 W. RANCHO PBLIC PL

E-mail Address OVHC.PAT@GMAIL.COM Phone Number 520 349 9999

Comments: THIS PROGRAM NEEDS ACCOUNTABILITY FOR FINANCES, EDUCATION

\*\*\*FIVE-MINUTE SPEAKING LIMIT\*\*\*

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HOUSE OF REPRESENTATIVES

Please PRINT Clearly

Committee on \_\_\_\_\_ Bill Number \_\_\_\_\_

Date 9-20-23  Support  Oppose  Neutral

Name Larry Thomas Need to Speak?  Yes  No

Representing \_\_\_\_\_ Are you a registered lobbyist? \_\_\_\_\_

Complete Address 16900 W Northampton Rd, Surprise AZ 85374

E-mail Address 1660 Larry@gmail.com Phone Number 623 266 1923

Comments: ESA expansion allows my tax dollars to fund religious education - I'm opposed to this,

\*\*\*FIVE-MINUTE SPEAKING LIMIT\*\*\*

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HOUSE OF REPRESENTATIVES

Please PRINT Clearly

Committee on AD Hoc, ESA Bill Number \_\_\_\_\_

Date 9/20/23  Support  Oppose  Neutral

Name Lynn P. Embrey Need to Speak?  Yes  No

Representing \_\_\_\_\_ Are you a registered lobbyist? \_\_\_\_\_

Complete Address 15434 W Montecito Ave Goodwin

E-mail Address EmbreyAcademy@gmail.com Phone Number 602 349 2568

Comments: \_\_\_\_\_

\*\*\*FIVE-MINUTE SPEAKING LIMIT\*\*\*

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HOUSE OF REPRESENTATIVES

Please PRINT Clearly

Committee on ESA Bill Number \_\_\_\_\_

Date 9/20/23  Support  Oppose  Neutral

Name Margaret Baca Need to Speak?  Yes  No

Representing self Are you a registered lobbyist? NO

Complete Address 2957 N. Pueblo Dr

E-mail Address mbazlady762@gmail.com Phone Number 603 695-3995

Comments: \_\_\_\_\_

\*\*\*FIVE-MINUTE SPEAKING LIMIT\*\*\*

PLEASE COMPLETE THIS FORM FOR THE PUBLIC RECORD



HOUSE OF REPRESENTATIVES

Please PRINT Clearly

Committee on ESA Bill Number \_\_\_\_\_

Date Sep 20 2023  Support  Oppose  Neutral

Name Drita Gettleson Need to Speak?  Yes  No

Representing myself Are you a registered lobbyist? NO

Complete Address 415 E Pueblo Dr #41034 Tempe AZ 85288

E-mail Address Agettleson@gmail.com Phone Number 480 410 9414

Comments: ESA has accountability

\*\*\*FIVE-MINUTE SPEAKING LIMIT\*\*\*

# ARIZONA STATE LEGISLATURE

Fifty-sixth Legislature - First Regular Session

## INTERIM COMMITTEE ATTENDANCE RECORD

HOUSE AD HOC STUDY COMMITTEE ON EMPOWERMENT  
 COMMITTEE ON SCHOLARSHIP ACCOUNTS GOVERNANCE AND OVERSIGHT

CHAIRMAN: Ben Toma

|   |          |     |
|---|----------|-----|
| DATE  | 09/20/23 |     |
| CONVENED                                      | 2:03 p m | m   |
| RECESSED                                      |          |     |
| RECONVENED                                    |          |     |
| ADJOURNED                                     | 3:49 pm  |     |
| MEMBERS                                       |          |     |
| Matthew Beienburg                             | ✓        |     |
| Nancy Gutierrez                               | ✓        |     |
| <del>Kathleen Hobbs</del>                     |          |     |
| Eileen Klein                                  |          | EXC |
| Matthew Ladner                                | ✓        |     |
| Beverly Pingerelli                            | ✓        |     |
| <del>Judy Schwiebert</del> Marcelino Quinonez | ✓        |     |
| Ben Toma, Chairman                            | ✓        |     |
| John Ward                                     | ✓        |     |
|   |          |     |

✓ Present                      --- Absent                      exc Excused



## Empowerment Scholarship Accounts

### House Ad Hoc Committee On Empowerment Scholarship Accounts Governance and Oversight

September 20, 2023

Alan E. Maguire  
The Maguire Company



## Empowerment Scholarship Accounts

- Review of Demographic Trends
- K-12 Eligible Universe
- K-12 Enrollments
- “Non-Public” K-12 Eligible Universe
- Constraints on Private School Expansion
- Relevant Comparisons
- Data Limitations
- Budget Outlook

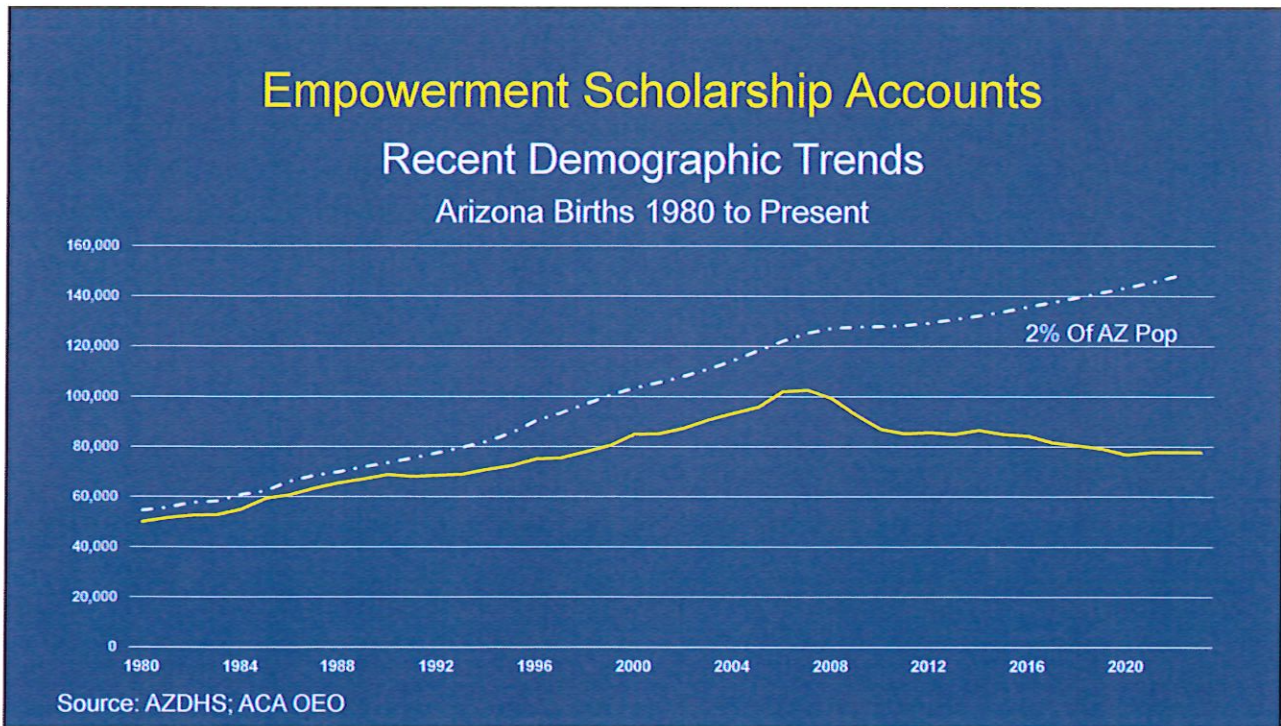
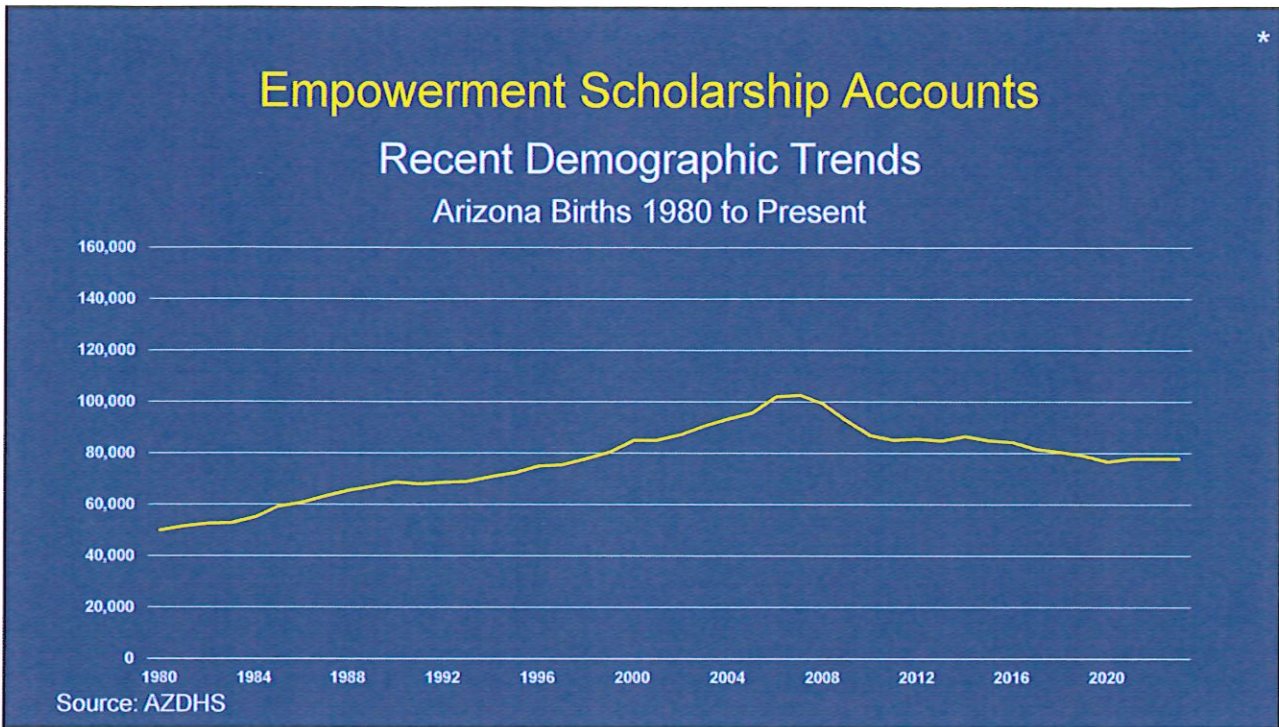
## Empowerment Scholarship Accounts

- **Review of Demographic Trends**
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## Empowerment Scholarship Accounts

### Recent Demographic Trends

- **Aging Population**
- **Rising Affluence**
- **Declining Per Capita Birth Rates**



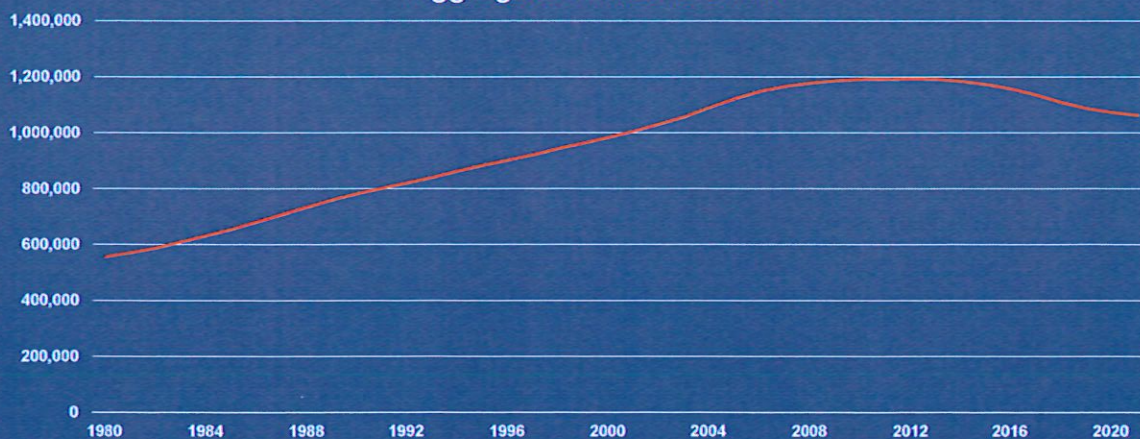
## Empowerment Scholarship Accounts

- Review of Demographic Trends
- **K-12 Eligible Universe**
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## Empowerment Scholarship Accounts

### K-12 Eligible Universe

Aggregated Arizona Births

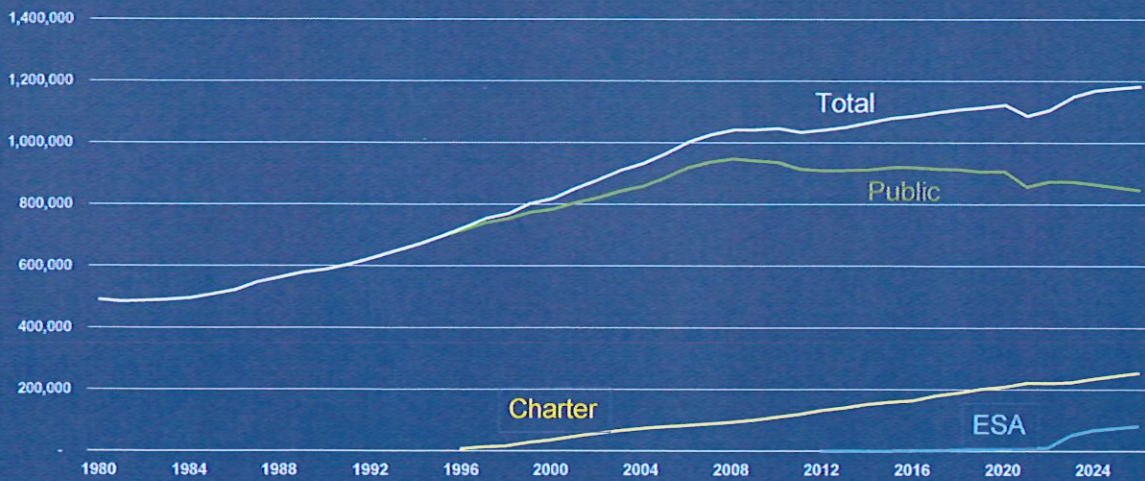


Source: House Staff; TMC

## Empowerment Scholarship Accounts

- Review of Demographic Trends
- K-12 Eligible Universe
- **K-12 Enrollments**
- “Non-Public” K-12 Eligible Universe
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- Budget Outlook

## Empowerment Scholarship Accounts K-12 Enrollments



Source: JLBC Staff; ADOE, TMC

## Empowerment Scholarship Accounts

- Review of Demographic Trends
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## Empowerment Scholarship Accounts

### “Non-Public” K-12 Eligible Universe

- **Private School Attendance**
  - Religious
  - Secular
- **Home Schools**
- **Other**
- **Student Tuition Organization Scholarships**
  - Limitations to STO data

## Empowerment Scholarship Accounts

- Review of Demographic Trends
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- **Constraints on Private School Expansion**
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## Empowerment Scholarship Accounts

### Constraints on Private School Expansion

- **Growth over Time**
- **Development Of Sophisticated Capital Models**
- **Changing Conditions for Additional Capacity Development**
  - Marginal Customer Base
  - Rising Financing Costs
  - Rising Construction Costs
  - Shifting Philanthropic Support

## Empowerment Scholarship Accounts

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## Empowerment Scholarship Accounts

### Relevant Comparisons

- **Implementation of AHCCCS**
- **Implementation of *Students First***
- **Enrollment Data is More Available than Some**



## Empowerment Scholarship Accounts

### Relevant Comparisons

- **Enrollment Patterns**
  - Initial Enrollment Bounce
  - *Transitioners* Between Programs
  - Multi-year “Woodwork” Effect
- **Associated “Start-up” Administrative Issues**

## Empowerment Scholarship Accounts

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- **Data Limitations**
- Budget Outlook

## Empowerment Scholarship Accounts

### Data Limitations

- Birth and Death Records
- In-Migrant Data
- ESA Recipient Data
- Student Tuition Organization Scholarships

## Empowerment Scholarship Accounts

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- Data Limitations
- **Budget Outlook**

## Empowerment Scholarship Accounts

### Budget Outlook

- Real Time Data on ESA Utilization
- Early in School Year
- New Enrollments Slow Through Year
- Prudent Mid-Year Review

## Empowerment Scholarship Accounts

### Questions

Alan E. Maguire  
The Maguire Company

