

No Recourse

Universal education savings accounts, public money, and the students they leave uneducated

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Summary

Arizona and Florida now fund universal education savings accounts (ESAs) that place roughly \$7,000–\$10,000 per child per year under parental control. Both states regulate *purchases* far more than *learning*.

- Arizona requires no testing of ESA students and deems the signed ESA contract to be legal school attendance. Florida requires an annual test, but funding depends on taking it, not on the result.
- News investigations have documented ESA money spent on theme parks, ski passes, televisions, a diamond necklace, lingerie, gaming PCs and family travel in 44 states and 13 countries.
- A student who reaches 18 without a basic education under these programs has almost no legal recourse against the parent, the vendor or the state.
- The lifetime cost to that student plausibly runs from hundreds of thousands to over a million dollars in lost earnings, before counting non-monetary harms.
- We recommend outcome checks with consequences, an end to "contract equals attendance," tighter spending rules, and a remediation guarantee owed to the student.

1. The problem: an experiment without recourse

In January 2013, a three-judge panel of the Shawnee County District Court rejected Kansas's claim that deep school funding cuts would cause no harm ([Gannon v. State, p. 188](#); discussed [here](#)). The panel warned:

Simply, school opportunities do not repeat themselves and when the opportunity for a formal education passes, then for most, it is most likely gone. ... If the position advanced here is the State's full position, it is experimenting with our children which have no recourse from a failure of the experiment.

Universal ESA programs are a new and larger experiment. They transfer public education dollars to parents, define the resulting arrangement as compliance with compulsory schooling, and collect little or no information on whether the child learns. When the experiment fails an individual child, the failure is invisible to the state until the child is an adult.

2. What the programs require

Arizona's program has served all K–12 students since 2022 and now enrolls more than 100,000 children at an [expected cost above \\$1 billion a year](#). Florida made vouchers universal in 2023 and created the Personalized Education Program (PEP), a homeschool ESA worth about \$8,000 per child.

Requirement	Arizona ESA	Florida PEP
Academic obligation	Parent agrees to use "a portion" of funds to teach reading, grammar, math, social studies and science (A.R.S. § 15-2402(B))	Annual student learning plan submitted to the scholarship funding organization (FLDOE)
Testing	None required	Annual norm-referenced or state test; results submitted (Step Up)
Consequence of low achievement	None	None; renewal depends on taking and submitting the test, not the score
Compulsory attendance	Signed ESA agreement "constitutes school attendance" (§ 15-2402(I))	Program defined as parent-directed instruction satisfying attendance
Spending review	Purchases under \$2,000 auto-approved, audited later (12News)	Published list of allowable items; some require pre-approval (WFTV)

Sources linked in table. Florida statutory detail is summarized from FLDOE and Step Up program guidance.

3. What the money has bought

Three years of reporting in both states document how ESA dollars are spent. Some items were allowed under program rules; others were flagged only after the money was spent.

State	Documented purchases	Status
AZ	Disney parks, stores and streaming (≥\$21,000, 100+ accounts); travel expenses in 44 states and 13 countries (12News)	Not allowed; spent anyway
AZ	One-carat diamond necklace, lingerie, jet ski rentals, gaming consoles, designer purse — among ~84,000 flagged purchases, Dec. 2024–Oct. 2025 (ABC15)	Flagged by state audit
AZ	\$7,500 gaming PC; \$2,000 in Roblox currency; \$73,000 parents paid themselves to tutor their own children (ABC15)	Flagged; \$9.1M questioned
AZ	100+ ski passes (~\$19,000); ~\$4,000 piano; ninja gyms and trampoline parks (ABC15)	Largely approved
AZ	Kayaks, espresso machines, high-end LEGO sets (12News)	Allowed until AG intervened
FL	Theme park admission (Disney World, SeaWorld, Universal, Legoland); TVs up to 55"; paddleboards, kayaks, treadmills (Tampa Bay Times ; Orlando Weekly)	Explicitly allowed
FL	Swing sets, air hockey tables, trampolines, stuffed animals; an \$800 LEGO set planned as a Christmas gift (Popular Information)	Allowed items

Arizona officials maintain most purchases are valid; Florida requires a statement of educational benefit for theme park tickets and caps them at \$500 a year.

Oversight is thin even where rules exist. Arizona flagged 18,000 parents for \$10.3 million in banned purchases but [referred only six for prosecution](#). Recovered funds go to [collections and back to the state](#), not to the student. No audit asks whether the student learned to read.

4. The legal gap: who does the student sue?

This section is a policy analysis of the doctrinal landscape, not legal advice. Each avenue an uneducated 18-year-old might pursue is blocked or untested:

- **The parent.** Arizona replaced parental immunity with a "reasonable parent" standard ([Broadbent v. Broadbent, 1995](#)). But courts have long refused to recognize "educational malpractice" even against

trained educators ([Peter W. v. San Francisco USD, 1976](#)). A narrower claim for funds diverted from the child's account may fit the facts, but recovers dollars, not the lost education.

- **The vendor.** Contract or consumer-fraud claims may reach a provider that took payment and delivered nothing. A vendor that delivered exactly what was bought — a ski pass, a paddleboard — has done nothing actionable.
- **The state, under federal law.** There is no fundamental federal right to education ([San Antonio v. Rodriguez, 1973](#)), and the state generally owes no duty to protect a child from a private actor, including a parent ([DeShaney v. Winnebago County, 1989](#)). The one appellate ruling recognizing a right to basic literacy, *Gary B. v. Whitmer* (6th Cir. 2020), [was vacated](#).
- **The state, under state constitutions.** Florida's Supreme Court struck down an earlier voucher program under its uniformity clause ([Bush v. Holmes, 2006](#)) but later held "high quality" education claims non-justiciable ([Citizens for Strong Schools, 2019](#)). Adequacy suits yield prospective, system-wide remedies, not damages for a student who has already aged out.
- **State intervention.** Truancy and educational-neglect mechanisms are foreclosed in Arizona because the ESA contract legally counts as attendance ([§ 15-2402\(I\)](#)).

5. The cost to the student

The U.S. Supreme Court recognized that illiteracy "will handicap the individual deprived of a basic education each and every day of his life" ([Plyler v. Doe, 1982](#)). The labor-market data put numbers to that handicap:

Highest attainment	Median weekly	Annual (×52)	Annual gap vs. no diploma	40-year gap (undiscounted)	Unemp.
Less than high school	\$770	\$40,040	—	—	6.1%
High school diploma	\$966	\$50,232	\$10,192	~\$408,000	4.3%
Some college, no degree	\$1,062	\$55,224	\$15,184	~\$607,000	3.8%
Bachelor's degree	\$1,578	\$82,056	\$42,016	~\$1.68 million	2.8%

Source: [BLS, Education pays, 2025](#). Full-time wage and salary workers age 25+. 2025 annual estimates exclude October.

These figures understate the harm. The "less than high school" group includes many adults with ten or more years of schooling and functional literacy. Additional harms include:

- No recognized diploma or transcript, requiring an equivalency credential before most college, apprenticeship or training programs.
- Closed pathways: military enlistment, licensed trades and postsecondary programs that screen on a diploma or basic skills.
- Literacy and numeracy deficits that are far harder and costlier to remediate in adulthood.
- Roughly \$100,000 in public funds spent in the student's name over a K–12 career, part of it on items with no educational purpose.

6. Recommendations

A state that funds a child's education should be able to tell that child, at 18, what it bought. We recommend that Arizona, Florida and states considering similar programs:

1. **Require annual assessment with consequences.** Every ESA student in grades 3–11 should take a state-approved assessment, with results reported to the state. Two consecutive years far below grade level

in reading or math should trigger an independent evaluation and a written instructional plan; continued failure should restrict funds to accredited providers.

2. **End "contract equals attendance."** Repeal provisions such as A.R.S. § 15-2402(I) that deem a signed spending agreement to be school attendance, so that educational-neglect protections apply to ESA students as to all others.
3. **Limit spending to instruction.** Remove recreation, entertainment and household items (theme parks, televisions, sporting goods) from allowable lists; end auto-approval and require review of purchases above a modest threshold, as [Arizona's governor proposed](#) for purchases over \$500.
4. **Treat ESA funds as held for the child.** Misspent funds that are recovered should be restored to the student's benefit — for remedial instruction or postsecondary use — rather than returned to the general fund.
5. **Create a remediation guarantee.** Any student who exits an ESA program at 18 without basic literacy and numeracy should be entitled to state-funded remedial instruction and equivalency testing, with a clear statutory right to enforce it.
6. **Provide independent oversight and public reporting.** Give the state auditor general authority to audit ESA spending and require annual public reports on aggregate student outcomes, disaggregated by program and student group.

Selected references

Baker, B. D. (2013). [The efficiency smokescreen ... the 3 Kansas judges who saw right through it!](#) *School Finance* 101.

Gannon v. State of Kansas, Shawnee County Dist. Ct. three-judge panel (Jan. 11, 2013), [opinion](#).

[A.R.S. § 15-2402](#); FLDOE, [PEP FAQs](#); Step Up For Students, [PEP Family Handbook](#).

12News: [Disneyland and international travel](#); [Broadway and concerts](#); [serial duplicate buyers](#); [auto-approved reimbursements](#); [AG investigation](#).

ABC15: [84,000 flagged purchases](#); [\\$9.1M questioned spending](#); [What \\$304 million bought](#); [accounts sent to collections](#).

Arizona Mirror, [Hobbs announces planned reforms](#).

Tampa Bay Times, [Florida school vouchers can pay for TVs, kayaks and theme parks](#); Orlando Weekly, [vouchers for Disney World passes](#); WFTV, [kayaks, Disney tickets](#); Popular Information, [Disney tickets, PS5s, and big-screen TVs](#).

Cases: [Peter W.](#) (1976); [Broadbent](#) (1995); [Rodriguez](#) (1973); [Plyler](#) (1982); [DeShaney](#) (1989); [Bush v. Holmes](#) (2006); [Citizens for Strong Schools](#) (2019); *Gary B. v. Whitmer*, 957 F.3d 616 (6th Cir. 2020), vacated en banc.

U.S. Bureau of Labor Statistics, [Education pays. 2025](#).