



CHOOSE Act Alabama

**Diocese of Birmingham Catholic Schools
December 17, 2024**

Agenda

- Program Overview
- Annual Amounts
- Eligibility
- Family and Education Service Provider Applications
- Approved Expenses
- ClassWallet Digital Wallet
- What Can I Do Now?
- Get Support
- Questions



Program Overview

- The Creating Hope and Opportunity for Our Students' Education Act of 2024 (CHOOSE Act Alabama) is administered by the Alabama Department of Revenue (ALDOR).
- CHOOSE Act Alabama makes refundable income tax credits called **education savings accounts (ESAs)** available to support the success of eligible K-12 students in Alabama.
- **An ESA can be used to pay for tuition, fees, and other qualified education expenses at approved Education Service Providers (ESPs) in Alabama.**
- ALDOR has contracted with ClassWallet for programmatic support and to coordinate the distribution of funds to participating families.



Annual Amounts

- **\$7,000** per participating student who is enrolled in a participating school.
- **\$2,000** per participating student enrolled in a **home education program** (*this includes an individual or group program, homeschool, co-op, etc. and is capped at \$4,000 per family.*)
- Total award of **\$100 million** for the 2025-2026 school year.
- ESA funds will be distributed to families through a ClassWallet digital wallet starting in **July 2025**.



Eligibility

- To be eligible for the **2025-2026 school year**, the student must be in grades K-12. Kindergarten students must turn 5 by September 1, 2025.
 - Be a resident of Alabama
 - Have an AGI or household income that does not exceed 300% of the federal poverty level for the 2023-2024 tax year

Persons in Family/Household	300% of 2024 Federal Poverty Guideline
1	\$45,180
2	\$61,320
3	\$77,460
4	\$93,600
5	\$109,740
6	\$125,880
7	\$142,020
8	\$158,160
For families/households with more than 8 persons, add \$16,140 for each additional person.	



Eligibility Priorities

- First **500** ESAs are reserved for students with special needs.
 - Special-needs student: A student who qualifies for services under the Individual with Disabilities Education Act of 1975 or Section 504 of the Rehabilitation Act of 1973.
 - Documentation showing the student qualifies for services under IDEA or Section 504. Examples include 504 Plan, Individualized Education Plan (IEP), or Individualized Service Plan (ISP).
- Priority is given to **participating students and their siblings**, as well as students who are **dependents of active-duty service members** (enrolled in or assigned to a *priority school*).
- Priorities **ARE NOT** a requirement to receive funds. They simply place you in a higher award approval tier.



Family Application

- The application process will be managed by FACTS and families will be able to apply online through the CHOOSE Act Alabama website **beginning on January 2, 2025.**
- **The application will remain open until April 7, 2025, or until funding met.** Award notifications will be sent to families **beginning on May 1, 2025.**
- Priorities are awarded first, with remainder awarded based on the percentage of the 300% federal poverty level.
 - *Family of 4 with AGI of \$70,000 will be awarded before a family of 4 with AGI of \$80,000.*
- Families will have an opportunity to indicate what school (if any) the student will be attending during the application process.
- School enrollment must be verified prior to award.



Family Application

To complete the application, you'll need:

- **Student Birth Certificate**
- **Proof of Alabama Residency** - Includes documentation that matches the physical address listed on the application. Examples include a recent tax return, state driver's license, state issued ID, utility bill, voter registration card, mortgage statement, rental or lease agreement.
- **Proof of Income** - Includes documentation such as the most recent federal or state tax return record, Form W-2 or 1099, Social Security statement, Temporary Assistance for Needy Families (TANF) or Supplemental Nutrition Assistance Program (SNAP) benefits statement.



Education Service Provider Application

- All participating schools and providers (Education Service Providers or ESPs) must be approved by ALDOR and agree to follow program rules and guidelines.
- A list of all ESPs (including participating schools) will be available to view on the CHOOSE Act Alabama website.
- **Program Website:**
<https://chooseact.alabama.gov/>
- The ESP application is **available now** on the program website and will remain open throughout the year.

Approved ESPs
(coming soon)



Approved Expenses

- ▶ Tuition and certain fees at participating schools
- ▶ Textbooks in approved subjects
- ▶ Fees for after-school or summer education programs provided by a participating school
- ▶ Curriculum, supplemental reading materials, and instructional materials
- ▶ Private Tutoring in approved subjects
- ▶ Tuition and fees for an approved nonpublic K-12 online learning programs
- ▶ Computers and technological aids
- ▶ Educational software and applications
- ▶ Educational services and therapies for students with disabilities (PT, OT, ABA, Vision, Dysgraphia/Dyslexia)
- ▶ Fees for standardized and nationally recognized assessments
- ▶ Contracted services provided by a public school district including specific classroom instruction



ClassWallet Digital Wallet

- ▶ Funds will be disbursed to approved families through a **ClassWallet digital wallet beginning in July 2025**. You will receive a Welcome Email with instructions on how to access your account and use your student's funds.
- ▶ How will I be able to use my student's funds?
 - ▶ Submitting a payment to an ESP through Direct Pay
 - ▶ ClassWallet Marketplace
- ▶ **There is no reimbursement.** Families will pay school tuition and fees through the ClassWallet platform.
- ▶ All transactions will be reviewed to ensure they abide with programmatic guidelines.



ESP Invoices – Direct Pay

To pay for a service, the ESP is required to provide you with supporting documentation (invoice). You will upload this invoice in PDF, JPEG, or PNG file format when payments are made.

- 1 Make payments to ESPs using the "Pay Vendor" feature on the ClassWallet homepage. ESPs listed here include schools, private tutors, therapists, etc. View a step-by-step guide on making a payment through "Pay Vendor" [here](#).



Important Note:

To make a payment, an invoice is required. The invoice must include the following information:

- | | |
|--|--|
| <input type="checkbox"/> Provider Name and Address | <input type="checkbox"/> Date(s) of Service |
| <input type="checkbox"/> Student Name | <input type="checkbox"/> Type of Service (what payment is for) |
| <input type="checkbox"/> Parent Name | <input type="checkbox"/> Total Amount Due |
| <input type="checkbox"/> Date of Invoice | |

Handwritten documentation will not be approved.

Payment for services can be made prior to the service(s) or paid after service(s) have been rendered. **However, only invoices for services provided during the 2025-2026 academic year will be approved.**

An invoice can include charges for multiple students. However, charges must be listed separately and identifiable for each student.



Marketplace – E-Commerce

You can also make purchases of educational materials, supplies, and technological aids through the ClassWallet Marketplace.

2

Purchase approved educational items with ESA funds, like school supplies and technology through the **ClassWallet Marketplace**. View retailers by logging into the ClassWallet Marketplace platform and clicking on “**Start Shopping**”. A step-by-step guide is available [here](#).

Important:

The retailers shown in the ClassWallet Marketplace have all been approved to participate by ALDOR and the items they have available are approved for purchase with ESA funds.



What Can I Do Now?

chooseact.alabama.gov

Check to See If Your Family Qualifies and Subscribe For Family Updates

Start

Download the Parent Guide

Program FAQ

Register for an upcoming webinar



Get Support

ClassWallet is ready to help!

 **877-969-5536**

 **help@classwallet.com**

*Monday – Friday 7 a.m. – 7 p.m. CT
Saturday 9 a.m. – 3 p.m. CT*

Program Website:

<https://chooseact.alabama.gov/>



Questions?

