



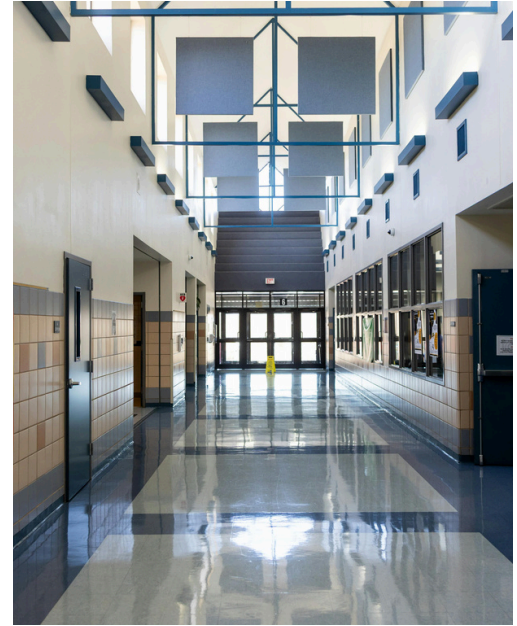
# THE FACTS ABOUT TEXAS PUBLIC EDUCATION VOUCHERS

In 2025, the 89th Texas Legislature followed the trending voucher movement and established education savings accounts, now officially known as Texas Education Freedom Accounts. After nearly a decade of failed attempts to establish vouchers in the state, Senate Bill 2 (89R) passed the House of Representatives along partisan lines on April 17. Gov. Greg Abbott signed 89R into law on May 3, 2025.

## TEXAS EDUCATION FREEDOM ACCOUNTS

The Texas Comptroller began implementing the program in Fall 2025 by promulgating rules, picking a program director, and awarding the CEO contract to Odessey, a national privately owned and for-profit company. As of January 2026, the agency approved nearly 600 private schools, childcare centers, and other service corporations as vendors in the program.

The first application period for parents and students opened Feb. 4, 2026, and closed on March 31, 2026 after a court-ordered extension required the state to include Islamic schools. Parents will get funding notifications in Spring and can expect disbursements of at least 25% of the voucher to start on July 1, 2026. The remaining funds will be released and available for spending in voucher accounts on Oct. 1, 2026 (50%) and again on April 1, 2027 (all remaining funds).



## KEY PROVISIONS OF 89R

**\$1B SPENT IN STATE REVENUE TO FUND THE FIRST YEAR.**

- Creates three classes of participant:
  - Private School Students without IEP accommodations (\$10,474)
  - Homeschool students (\$2,000)
  - Students with special education accommodations (up to \$30,000)
- Comptroller for Public Accounts is responsible for administering the state program
- Day-to-day administration of the program is outsourced to a “Certified Education Assistance Organization”
- Students with special needs must waive state and federal protections to participate
- Participants must prove citizenship to participate





## PARTICIPANT SELECTION

For the inaugural year of the voucher program, applicants will be prioritized for approval according to the following criteria:

- **Children with a disability** in a household with total annual income at or below **500% of the Federal Poverty Level (FPL)**.
- Children in households whose **total annual income is at or below 200% FPL**
- Children in households whose **total annual income is between 200% and 500% FPL**.
- Children who are members of a household whose **total annual income is at or above 500% of the Federal Poverty Level**.
  - Children who were enrolled in a Texas public school or charter school for at least 90% of the prior school year will be prioritized within this group.
  - Funds for children in this category may not exceed 20% of the amount of money appropriated from the program fund for that school year.

Beginning the second year, applicant approvals will be prioritized first for siblings, newly eligible applicants, and previous participants who may have left the ESA program for a public or charter school. Once those considerations are made, new applicants will be ordered in accordance with the criteria based on annual household income and a student's disability. Siblings of approved applicants and current participants will continue to enjoy the special benefit of automatic inclusion in the program.

## FUNDING AND APPROVED EXPENSES

The \$1B appropriation to pay for the ESA program will be split first by the Comptroller's 3% and Odessey's 5% for administrative costs. For the 2026-27 school year, participating parents and guardians will then receive:

- **\$10,474**, or 85% of the estimated statewide Average Daily Attendance (ADA) for students enrolled in accredited private schools, including online education providers.
- **Up to \$30,000** (to comply with an IEP filed with the Texas Education Agency) for students enrolled in an approved pre-K, kindergarten, or private school.
- Or, **up to \$2,000** for all other students, including homeschool students.

Once funded, parents or guardians of voucher students may spend their Odessey managed accounts to pay for educational services, materials, and other approved expenses.

In addition to tuition and fees for private or online schools, approved expenses include:

- Academic assessment costs
- Private tutoring
- Transportation to and from providers
- Educational therapies not otherwise covered
- Computer hardware and software, must not exceed 10% of yearly award
- Meals provided by a private school