

The Basics of SB 1 - Education Savings Accounts (aka School Vouchers)

Some of the key points from [Senate Bill 1 \(SB 1\)](#), relating to the establishment of an education savings account (ESA) program, which was passed by the Texas Senate in the Fourth Special Session of the 88th Legislature - November 9, 2023.

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How much money could participants in this ESA program receive?

(Note: Current basic allotment per student for school districts is \$6,160. This has not changed since 2019-2020.)

- \$1,000 per year if homeschooled (Tax Free)
- \$8,000 per year if a private school or some other education provider (Tax Free)

Where will the money come from? - The program fund is an account in the general revenue fund to be administered by the comptroller.

What children are eligible to participate? Basically, any child who is eligible to attend public school in Texas.

What if there are too many applicants? Participants will be determined by lottery with the following stipulations (Note: [Federal Poverty Guideline](#) as of 2024 is \$31,200 for a family of 4. 185% of this guideline would be \$57,720. 500% of this guideline would be \$156,000.):

- **not more than 40%** - children from households with annual income at or below 185% percent of the federal poverty guidelines;
- **not more than 30% percent** - children from households with an annual income above 185% and below 500% percent of the federal poverty guidelines;
- **not more than 20 %** - children with a disability who are not included in 1 or 2 above.

Who can be an education provider?

- Private schools accredited by an organization recognized by the Texas Private School Accreditation Commission or TEA who administer a nationally norm-referenced assessment instrument annually.
- Private tutors and other education services subject to various criteria, including criminal background checks and educational requirements for the tutors, among other things.

What can parents pay for with this money?

- (1) tuition and fees for a private school;
- (2) the purchase of textbooks or other instructional materials or uniforms;
- (3) costs related to academic assessments;
- (4) fees for services provided by a private tutor or teaching service;
- (5) fees for transportation provided by a fee-for-service transportation provider for the child to travel to and from a preapproved education service provider or vendor of educational products; and
- (6) fees for educational therapies or services provided by a practitioner or provider (If not covered by insurance)

Relief for some schools...

School districts with an enrollment of less than 5,000 students that experience a net decline in student enrollment from the previous school year that is attributable to students participating in the program are entitled to \$10,000 per year for the first three years a child participates in the program.