

Education Savings Accounts

A Primer for School Administrators and Families



Educational Savings Accounts (ESAs)



SB2 became law Sept. 1

Provides \$1B for approx. 70,000 students

Per student, annually:

- Student enrolled in an eligible school: \$10,500 - \$12,000
- A child with a disability: up to \$30,000
- Home-schooled participants: \$2,000



Eligible expenses include:

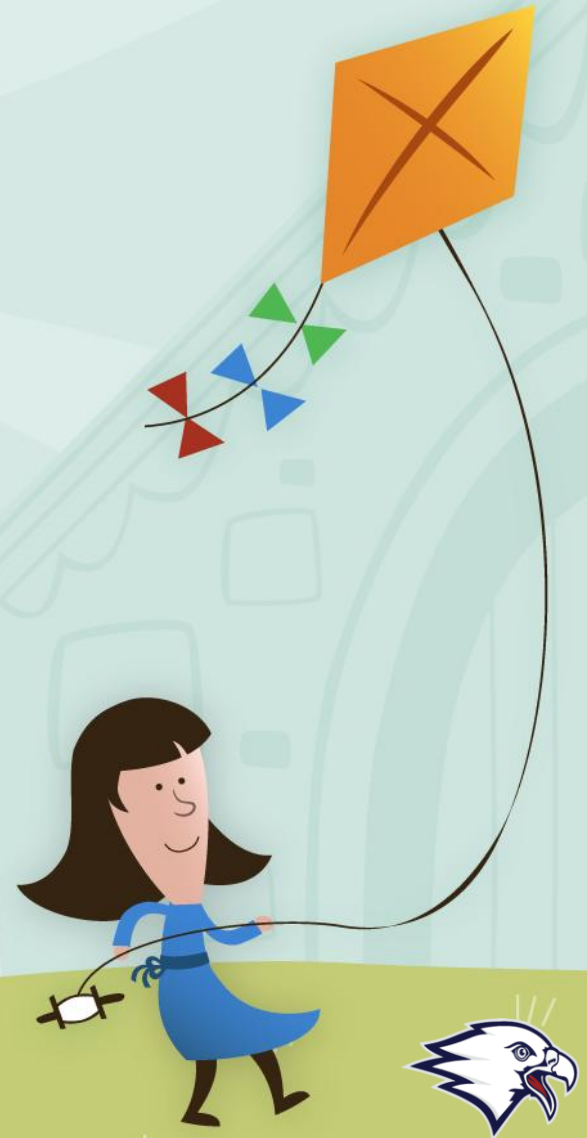
- School tuition
- Tutoring
- Uniforms
- School breakfast and lunch at private schools
- Online education programs
- Therapies for students with special needs
- Textbooks or other instructional materials

Don't Forget Vendors



Approved private schools

- Accredited by TEPSAC, TEA/ (ACSI)
- Annually administer a nationally-norm-referenced assessment for ESA participants Grades 3-12
- Continuously operated a campus for at least two school years preceding participation in ESA program
- Financial review or audit per accreditation rules



Autonomy

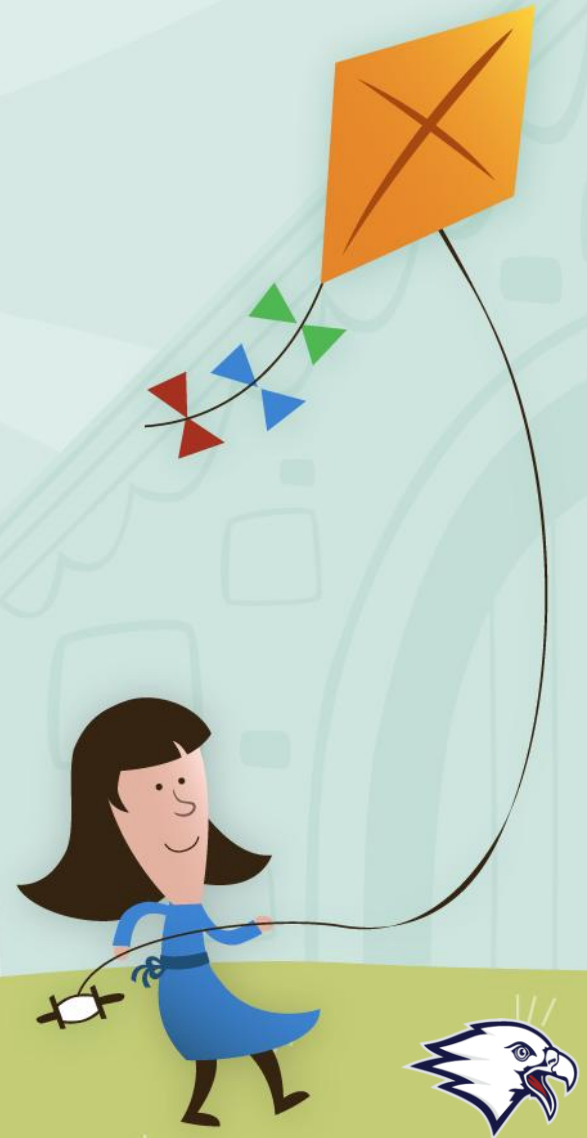
An education service provider or vendor who receives ESA money is not a recipient of federal financial assistance and may not be considered a state actor.

The state may not impose limits or requirements contrary to religious or institutional values of a provider, vendor, or participant regarding curriculum, admissions practices, operations, policies, standards, etc.



Eligible students:

- Student must be a U.S. citizen, national, or lawful resident eligible to attend a Texas public school.
- Priority for children from low-income families and with special learning needs.
- Siblings are approved together; family does not have to reapply each year.
- PreK eligibility different!



Prioritization

- 1. Children with disabilities whose family income is equal or less than 500% of FPG.
- 2. Families with income 200% or less than FPG.
- 3. Family income between 200-500% of FPG.
- 4. All others. Within this group:
 - 1. Priority for students coming from public schools
 - 2. Capped at 20% of total

Household number	Federal Poverty Guidelines (FPG) yearly income	200% of FPG yearly income	500% of FPG yearly income
1	\$15,650	\$31,300	\$78,250
2	\$21,150	\$42,300	\$133,750
3	\$26,650	\$53,300	\$133,250
4	\$32,150	\$64,300	\$160,750
5	\$37,650	\$75,300	\$188,250
6	\$43,150	\$83,920	\$215,750

Lottery in Each Category



Transferring from public school

Parents can obtain records

School district, TEA or charter school must verify child's eligibility to Certified Education Assistance Organization (CEAO) "Odyssey"

Odyssey must comply with confidentiality laws and timelines



Parents required to:

1

Spend program money only for eligible expenses

2

Authorize the school to share child's assessment results with Certified Education Assistance Organization

3

Not sell an item purchased with program money and

4

Notify the EAO with in 30 days of child enrolling in public school, graduating high school, or otherwise becoming ineligible to enroll in public school.



Child with disabilities



1. Is not more than 21 years of age and has a visual or auditory impairment that prevents the student from being adequately or safely educated in public school without the provision of special services; OR

2. Is at least three but not more than 21 years of age and has one or more of the following disabilities that prevents the student from being adequately or safely educated in public school without the provision of special services:

- physical disability;
- intellectual or developmental disability;
- emotional disturbance;
- learning disability including dyslexia;
- autism;
- speech disability; or
- traumatic brain injury.



Private Evaluation by Medical Doctor OR ISD IEP by January to qualify for prioritization



Requirements for children with disabilities



The parent of a child not enrolled in public school may request a school district to provide an evaluation and to develop an IEP for the child.

Odyssey must provide notice to parents regarding how federal and state laws regarding the provision of educational services to a child with a disability in apply differently for private schools, versus public.

Odyssey must provide information regarding the rights to which a child with a disability is entitled if the child attends a public school.

MUST Have ISD IEP by January to qualify for additional funding



Let's get started!



Sept. 1, 2025: SB 2, the bill creating ESAs, becomes law.

Sept. 21, 2025: Comments on rules are due

October 2025: Odyssey Selected (CEAO)

Fall 2025: TCCB-ED & TPSA Host additional trainings based on rules

January 2026: The application process is expected to open.

School year 26-27: When money in ESAs can first be used for eligible expenses.



Sign Up for Comptroller Updates

Educational service providers and vendors of
educational products

Parents and students

Private schools

Public and charter schools

CPA news release list

<https://comptroller.texas.gov/programs/education/esa/>

<https://withodyssey.com/en/solutions/parents>



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TEXAS EDUCATION

FREEDOM ACCOUNTS

Freedom to learn your way.

Big things are coming to Texas! The Texas Education Freedom Accounts (TEFA) program, administered by the Texas Comptroller of Public Accounts, is set to launch as the largest day-one school choice initiative in the nation. Soon, eligible families will have the flexibility to use their TEFA funds on a wide range of approved educational services—from private school tuition to tutoring, textbooks and more!

Providers can apply soon, and family applications are expected to launch in spring 2026 for funding during the 2026-2027 school year. Stay tuned for updates!

Frequently Asked Questions

Download Flyer (PDF)

Download TEFA Rules (PDF)

Stay in the loop on Texas Education Freedom Accounts. Sign up for email updates on the topics that matter most to you.

Join the education service provider or vendor of educational products outreach list.

Join the parent/student outreach list.

Join the private school outreach list.

Join the public school/charter school outreach list.

Join the Comptroller's news release list.

ODYSSFY

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Technology built for parents

Odyssey is your one-stop-shop for all things ESA.

How do you apply?

The Odyssey application takes less than five minutes to fill out and is accessible across every browser and device type. About 85% of families across our partner states apply from their cell phones. Parents hear whether or not they are eligible in just seconds after submitting an application.

How do we determine eligibility?

While student eligibility is determined by state statute, Odyssey utilizes our proprietary eligibility engine to automate the process. Across most ESA states, we are required to verify state residency and income in order to prioritize and award student awards. Parents are always asked for consent before any information is shared for verification and determination purposes.

How does the digital wallet work?

Every student that is awarded funding receives a unique digital wallet from where they can make tuition payments and shop for products, goods, and services in the Odyssey e-commerce marketplace. The wallet shows a history of all transaction information for each student.

How can parents shop for educational materials?

All of our ESA programs leverage a state-specific e-commerce marketplace that houses products, goods, and services that are pre-approved by Odyssey and deemed eligible by the state agency administering the program. In addition to the marketplace, some programs also support reimbursements for eligible educational items.

Rest assured with Odyssey

We built Odyssey to make parents lives easier. Access to education should be simple and family friendly.

Diverse Choices

Shop from thousands of state-eligible vendors who offer countless offerings - find what is right for your child.

School Selection

Select your school during the application process. You can change this at any time and your school will confirm your enrollment in their Odyssey portal.

Real-Time Balance

Everything you buy - from tuition to marketplace purchases - are updated in real-time. Always know how much money your household has.

Fast Fulfillment

Since items are pre-approved, your order will be fulfilled once you check out in the marketplace. Orders are fulfilled and shipped within days, sometimes hours.

Trusted Customer Support

Our dedicated customer support team is here to help around the clock whether it is walking a parent through the application flow or helping make a marketplace purchase.

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Questions?

