

HB 2532/SB 2247 Seeks to Expand Vouchers and Opt Tennessee into the Federal Voucher Program

This administration bill, sponsored by Rep. Lamberth and Sen. Johnson, seeks to double the number of seats available through the Education Freedom Scholarships (EFS) private school voucher program. Despite the infancy of the EFS voucher program, it is still in its first year, HB 2532/SB 2247 would increase the maximum number of students participating in EFS from 25,000 to 40,000. It also directs the governor to elect Tennessee to participate in the federal education tax credit program (a state opt-in federal voucher program). Both components of the bill would further deter investment from public schools.

Key Provisions	HB 2532/SB 2247 Rep. Lamberth/ Sen. Johnson
How Education Access is Affected	Subject to the availability of funds, the Department of Education will make 40,000 scholarships available to students in school year 2026–2027. The number of seats following school year 2026–2027 will either remain at 40,000 or will increase by 5,000 depending on the number of applications going forward and appropriated funds. By December 31, 2026 the governor must elect to participate in the federal tax credit program and comply with any and all requirements to maintain participation.
Analysis from EdTrust-Tennessee	Last year, the EFS program provided 20,000 vouchers for \$7,295 each, costing the state \$144M. The bill's fiscal note indicates 20,000 additional vouchers of \$7,530 each, will increase expenditures by more than \$150M in one year. The tax credit program gives taxpayers a credit of up to \$1,700 for contributions made to eligible scholarship granting organizations (SGOs) that then use the funds to provide scholarships. The program is federally funded but has no cap and could easily exceed the cost of other federally funded programs such as Title I and IDEA. Both voucher programs will disproportionately hurt students from low-income backgrounds; voucher recipients, including those receiving EFS, are likely to be wealthy students who can already afford the cost of private school. These programs divert public funds to private schools, threatening education funding for students served by the public education system.

Amendment (013975)

The proposed House amendment is the same as the original bill version except it deletes the requirement to opt-in to the federal tax credit program. Both the Senate and the House version of the bill have to match before it can become law.

For more information about vouchers and how it impacts public school funding, check out our [voucher website](#).

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