

HB 2532/SB 2247 Diverts Public Funds to Unaccountable Private Schools, While Tying Education Access to Immigration Status

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This administration bill, as originally filed, seeks to double the number of seats available through the Education Freedom Scholarships (EFS) statewide voucher program. While the original bill was troubling enough, the bill has become a vehicle in the House for an immigration status verification, tying education access to immigration status, among other provisions.

The versions of the bill under debate in the House and Senate differ from one another in significant ways.

<p><u>Original Version of the Bill</u></p> <p>Adopted with Amendment 1 in the Senate</p>	<p><u>Extensively Amended Version of the Bill</u></p> <p>Adopted with Amendment 17044 in the House</p>
<p>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.</p> <p>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.</p> <p>Amendment 1, adopted in the Senate, would remove the federal tax credit voucher provision. Separate legislation has passed opting Tennessee into this program.</p>	<p>Using the same language as in the original bill text, would expand statewide vouchers to 35,000 next school year subject to availability of funds; 5,000 less than in originally filed legislation but 10,000 more than what is in current code, a significant additional state expenditure¹.</p> <p>Changes the public school funding floor provision passed as part of the statewide voucher last year to exclude students who did not submit documentation of their immigration status or cannot prove legal status. This would require districts to collect and report student immigration status information for all students in order to receive additional funding if they experience declines in funding due to enrollment losses.</p> <p>Slightly changes the order in which statewide vouchers are distributed to create an income limit of 300% of free and reduced price lunch (\$178,434 for a family of four) for students previously enrolled in public school or enrolling in kindergarten.</p> <p>Creates new reporting on eligible applicants to the statewide voucher program by county, prior enrollment in public school, kindergarten enrollment, and income category. However, the income category reporting is only reported to the extent the data is available.</p>

Analysis from EdTrust-Tennessee

The differing versions likely indicate disagreement between the chambers on approaches to voucher expansion. For the bill to pass, the chambers will have to agree on one version of the bill.

Changes to the funding floor are primarily designed to create a tracking system for undocumented students rather than substantively change how this mechanism works. This is likely a reaction to successful advocacy on other legislative attacks on undocumented students in the 114th General Assembly. Should this version of the legislation pass, it provides no guidance on implementation and thus could discourage undocumented students from enrolling.

While limits on expansion and increased public reporting are encouraging, the House proposal still goes far beyond the existing expansion mechanism, accelerating voucher spending beyond what was approved last year. Greater transparency on this program should not have to be linked to voucher expansion.

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

Question about this resource? Contact Nikkolette Hunter at nhunter@edtrust.org.

¹ The first year of vouchers cost the state \$144 million, not including administrative costs, for 20,000 vouchers at \$7,295 each. Per the original bill's [fiscal note](#), the per cost of vouchers will increase to \$7,530 in school year 2026-2027.