

Texas Public Schools Fight to Keep Students as Vouchers Roll Out



Students arrive for the first day of school at HISD's Marshall Middle School in Houston in 2025. Photographer: Brett Coomer/Houston Chronicle/Getty Images

By [Joe Lovinger](#) and [Erin Hudson](#)

July 1, 2026 at 9:01 AM CDT

[Save](#) [Translate](#) [Listen 6:53](#)

✦✦ **Takeaways** by Bloomberg AI

Hide ^

- Texas is launching a school-choice program that allocates funds to students for private school, tutoring, or home-schooling expenses through Texas Education Freedom Accounts.
- The program has the potential to substantially alter the way children are educated in Texas, with 107,000 students receiving funding for the coming year and public schools facing potential loss of enrollment and funding.
- School districts are turning to outside consultants to help them compete with private schools and manage relationships with parents, with some districts using tactics like running commercials to attract students and prevent a decline in enrollment.

Texas is launching a school-choice program long fought for by Governor Greg Abbott. Public schools around the state are hoping they can avoid a potentially costly student exodus.

On Wednesday, 73,000 students in Texas received the first of three payments that they can use in the coming year to cover private school, tutoring or home-schooling expenses. Twenty US states have similar programs, but the \$1 billion Texas effort is one of the biggest, with the potential to substantially alter the way children from El Paso to Orange are educated in coming years.

The program allocates \$10,474 to most children accepted to the program for the 2026-27 school year through so-called Texas Education Freedom Accounts. Students with disabilities can receive as much as \$30,000, and those who will be educated at home are capped at \$2,000. In the program's inaugural year, awards prioritize families with lower incomes or children with disabilities. Overall, 107,000 students will receive funding for the coming year.

Schools in Texas are funded according to the number of students who attend, which makes keeping enrollment figures growing crucial. In recent years, while the state's population has grown, many public schools have seen the size of their student body dwindle as birth rates and immigration decline and more families are drawn to private education and home schooling.

To try to stop the bleeding, some have turned to tactics more often used to sell cars or furniture than a basic education. The Pine Tree Independent School District in Longview, for instance, has been running commercials in local movie theaters and during news programs for eight years.

"We have to be good at things we never had to be good at before," said Pine Tree Superintendent Steve Clugston.

School districts will now be under growing pressure to sell themselves as they compete in an increasingly open marketplace stoked by vouchers. Many are now turning to outside consultants who can help them lure new students and manage their relationships with parents – for a price.

To Abbott and other advocates of school choice, the competition is the point.

“School choice gives families real mobility and the freedom to choose the best education for their child. This is exactly the choice Texans asked for,” said Andrew Mahaleris, a spokesman for Abbott.

Kelly Hancock, the state’s acting comptroller of public accounts, said he expects the program to improve school performance across the state.

“Our public schools, I believe in the next five years will become more innovative than they’ve ever been before because that’s what competition does,” said Hancock, who is in charge of administering the education-freedom accounts.

Competition Consultants

School-choice programs typically use public funds to help pay for private education for families who feel that public schools aren’t meeting their children’s needs. Advocates say they can be helpful for students who need more intensive support and whose families don’t earn enough to pay for private education on their own.

Opponents counter that they siphon vital funding out of public schools, increasing the challenges already weighing on financially strapped districts. State leaders point out that the school choice program is funded by a separate pot of money from public schools, and that the Legislature increased public school funding when it created the program.



Schools in Texas are funded according to the number of students who attend, which makes keeping enrollment figures growing crucial. *Photographer: Melissa Phillip/Houston Chronicle/Getty Images*

Caissa K12 is a consulting firm that specializes in recruiting students to public schools. Founded in Tennessee, Caissa operates in 26 states and has worked with 20 districts across Texas, including in Dallas and Houston. So far, it has brought around 15,000 students back to public schools, according to Brian Stephens, its chief executive officer.

Caissa meets with families who have moved into a school district, students who have recently left, and other potential enrollees, making calls, sending texts and emails, and fielding questions. It's an approach to enrollment that private schools already use, and one that more public schools need to adopt, Stephens said.

The Spring Branch Independent School District, which covers parts of Houston, turned to Caissa for help in 2024. The district has suffered the departure of some 2,000 students out of around 33,600 since 2023, according to superintendent Jennifer Blaine, resulting in the loss of about \$20 million in funding.

On top of that, 151 students at Spring Branch were awarded funds in the first round of grants to the Texas Education Freedom Accounts, the district said.

“We have competition,” Blaine said. “We can be mad about it or not, but we have to learn to compete.”

Read More: [Texas Maps \\$1 Billion Voucher Plan as Schools Face Budget Crunch](#)

When Caissa started working with Spring Branch, a team of 50 to 60 workers fanned out to knock on doors and talk with parents about the schools. They lured 139 students in the spring, and another 84 during a fall campaign focused on kids the district expected to attend but didn't.

Spring Branch paid Caissa \$208,505 last year, or \$935 per student it recruited. The previous year, it brought in another 164 students for \$153,340 in fees.

The district still anticipates a \$24 million deficit after \$370 million in expected spending this year, even after cutting \$35 million from a recent budget. It may have to cut mental health counselors, Blaine said, and is anticipating an increased need for assistance for students who depart for home or private schools and then return.

“We’re going to see kids come back and I believe that they will be behind,” Blaine said. “We’re not going to have [enough] to bridge those gaps.”

Exploring Options



Greg Abbott Photographer: Kaylee Greenlee/Bloomberg

Abbott, the Republican governor, pushed school choice through the legislature over the opposition of Democrats and some rural members of his own party who feared their districts would struggle under the program. Abbott muscled some skeptical lawmakers out of office in a series of primary challenges bankrolled in part by billionaire school-choice advocate Jeff Yass, clearing the way for the new program to be approved.

Yass told the Washington Post he viewed the Texas battle as a potential “Super Bowl of school choice.”

About 274,000 students applied for Texas Education Freedom Accounts, though only about a quarter of applicants attended public school last year, according to data from the comptroller’s office.

Some schools worry that the Texas legislature could expand the education accounts. Half of Texas parents are exploring options to change schools in the next year, and 67% would

use a voucher if one were available, according to a survey of 400 parents conducted by Caissa in May.

At the same time, many parents are wary of the risks of steering money away from public schools.

Elizabeth Baker, who lives in the Houston suburb of Katy, is planning to use the program to help pay for her daughter's private-school tuition of roughly \$15,000 a year. Her daughter has autism and attended public school until sixth grade, when she began having difficulty.

"She would cry every day on the way to school and beg me not to go," Baker said. "It was exhausting for both of us."

Baker said that the school-choice program takes away a lot of financial stress at a time when prices are rising across the economy. At the same time, Baker's two sons attend the local public school, and one receives extensive special education services. Baker worries that vouchers could deprive them of resources.

"I don't think as a whole it's great for the public schools," she said. "However, our daughter needed somewhere."



Contact us:

[Provide news feedback or report an error](#)

Site feedback:

[Take our Survey](#) [↗](#)

Confidential tip?

[Send a tip to our reporters](#)

Before it's here, it's on the [Bloomberg Terminal](#)

[Terms of Service](#)

[Do Not Sell or Share My Personal Information](#)

[Trademarks](#) [Privacy Policy](#)

[Careers](#) [Advertise](#) [Ad Choices](#)  [Help](#)

©2026 Bloomberg L.P. All Rights Reserved.