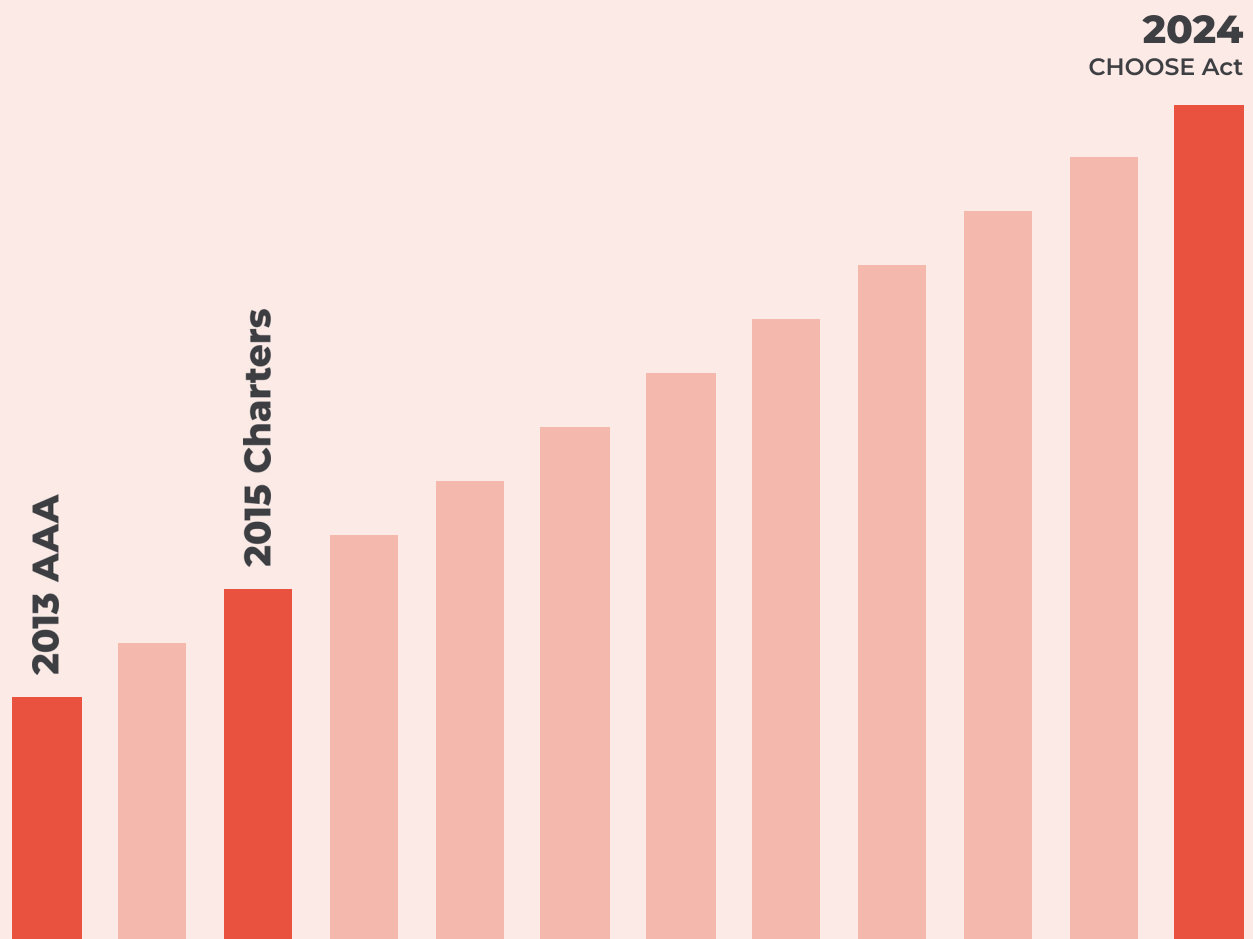


THE EVOLUTION OF SCHOOL CHOICE POLICIES IN ALABAMA

From the Alabama Accountability
Act to the CHOOSE Act



PARCA

EDUCATION RESEARCH CENTER

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The Evolution of School Choice Policies in Alabama: From the Alabama Accountability Act to the CHOOSE Act

Teanna Moore, Ph.D.
Education Research Associate

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Executive Summary

Since 2013, the state of Alabama has created and funded alternatives to traditional public schools. State-supported school choice has expanded substantially in Alabama. Alabama Accountability Act (AAA) scholarships support approximately 4,000 students annually attending private schools. Around 7,000 students are enrolled in public charter schools. For the 2026–2027 school year, nearly 34,000 students have applied for support of school or homeschooling through the tax credit scholarship established by the CHOOSE Act.¹ In 2025, Alabama’s school choice programs received substantial financial investment, including approximately \$29 million through the AAA and nearly \$80 million for charter schools. CHOOSE Act funding totaled approximately \$99 million in 2025–26 and increased to \$174 million in 2026–27.

- From 2013–2025, the **AAA** awarded approximately 43,000 scholarships totaling \$252 million, with most recipients coming from lower-income families.
- **The CHOOSE Act (2024)** expanded school choice options, offering Education Savings Account (ESA) funds to eligible students to cover education-related expenses.
- CHOOSE Act applications **increased** 86%, from 18,333 in 2025–26 to 34,156 in 2026–27.
- **Private schools and home education are the most common CHOOSE Act education program choices**, accounting for 53% and 30% of applicants, respectively, in 2025–26 and 44% and 32%, respectively, in 2026–27.
- **Access to school choice options** varies geographically across Alabama.

¹ As of the creation of this publication, award totals for the 2026–27 school year are still being finalized; therefore, amounts reported for that year should be considered pending and are subject to change.

- There are substantially fewer private and charter schools in **rural** than non-rural areas in Alabama; however, the number of traditional public schools is relatively similar across the two areas.
- **Continued evaluation** will be important as Alabama's school choice programs expand, particularly regarding geographic and socioeconomic access, accountability, program participation, and student outcomes.

Background

Eligible students can attend public, private, or charter schools outside their current local public school through **school choice**, a set of policies that use different mechanisms such as direct public subsidy, vouchers, refundable tax credits, education savings accounts, and open enrollment.²

Expansion of School Choice Nationwide

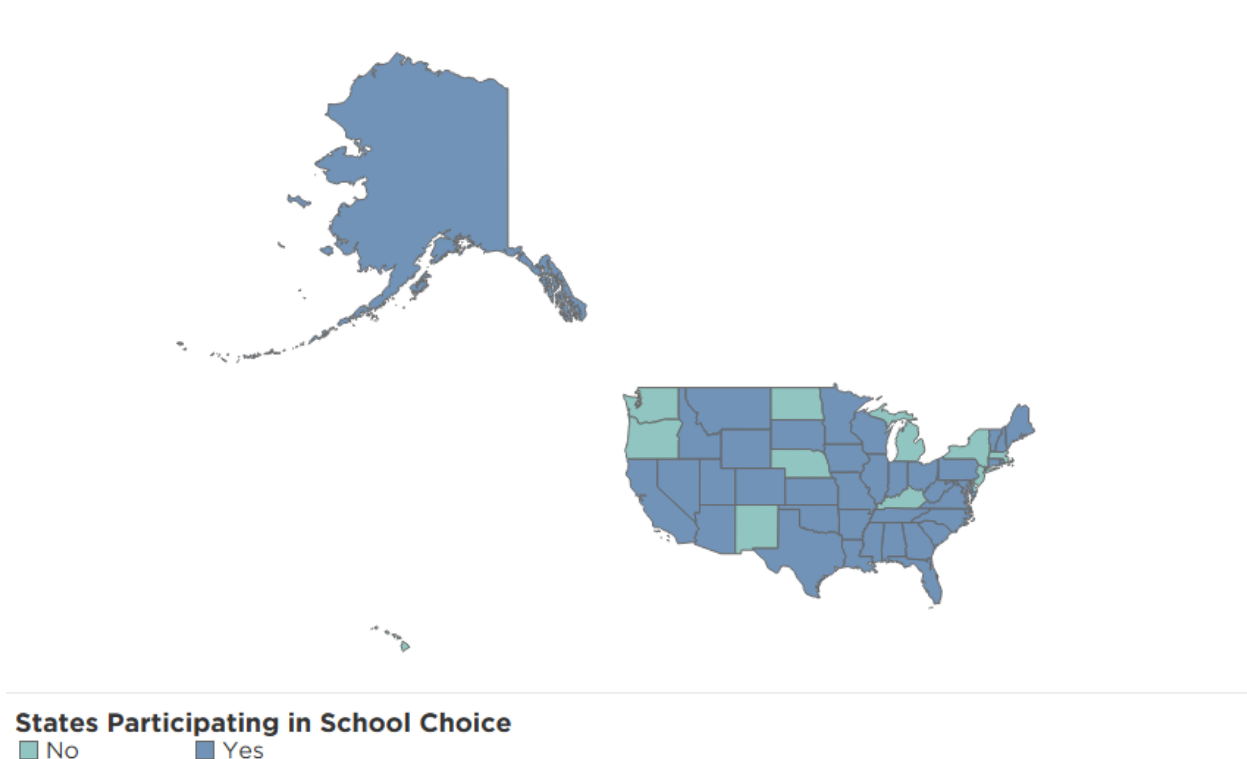
School choice has expanded from a limited number of state voucher and tax-credit scholarship programs to a broader set of policy options that now include education savings accounts, charter schools, and open enrollment policies across the U.S. As of 2026, 35 states, including Washington, D.C., offer at least one school choice program (see Figure 1). ^{[3][4]}

² Iglinski, "Do the Benefits of School Choice Miss the Grade?"

³ EdChoice, "The ABCs of School Choice."

⁴ Education Commission of the States, *50-State Comparison: Private School Choice Policies*.

Figure 1. States Participating in School Choice, 2026



Source: Adapted from EdChoice's ABCs of School Choice (2026).

Note: The original figure included Puerto Rico, which is excluded from this adaptation. The reported total of 35 states and jurisdictions with school choice programs including Alaska, Hawaii, and Washington, D.C.

Alabama currently offers three school choice programs that provide families with alternatives to their local public schools including, the Alabama Accountability Act (2013), Alabama School Choice and Student Opportunity Act (2015), and CHOOSE Act (2024). These programs will be described in subsequent sections of this report.

Public, Charter, and Private Schools in Alabama

Educational reforms have expanded school choice in Alabama to include traditional public, charter, and private school options. However, participation may vary based on differences in school governance, funding, accountability, admissions, and other factors. While **Table 1** highlights these differences, here are some key takeaways:

- **Traditional public schools** are primarily funded through state and local taxes, serve students based on residence, and operate under school system governance and state accountability requirements.

- **Charter schools** are free and funded by the state. They may also receive charitable support. They have greater operational autonomy, but are still subject to state accountability requirements, including standardized testing.
- **Private schools** rely primarily on tuition and private funding, exercise greater control over admissions and governance, and face less state oversight. Scholarships, funded by state-created tax credits, can help pay tuition.

Table 1. School Choice Landscape — Comparison of Traditional Public, Charter, and Private Schools

	Traditional Public Schools	Charter Schools	Private Schools
Funding source	State + local taxes	Public funding ⁵	Tuition + private funding + scholarships
Tuition	Free	Free	Tuition-based ⁶
Attendance	Students zoned by residence	Open enrollment/lottery ⁷	School-specific admissions ⁸
Governance	Local school systems ⁹	Independent boards under charter contract	Private governing boards
Accountability	State testing and accountability requirements ¹⁰	State accountability plus charter performance standards ¹¹	Limited state oversight ¹²
Transportation	Usually provided	Sometimes limited or not provided	Rarely provided

School choice participation largely depends on whether families can access available programs. However, the accessibility of each education program may vary across the state, especially in rural areas where fewer options and resources are available. When looking at program accessibility, here are some key things to note:

⁵ Per-pupil allocation and philanthropic support

⁶ Can be offset by vouchers/scholarships like AAA or CHOOSE Act

⁷ Lottery method will be employed if oversubscribed

⁸ Varies by school

⁹ State-controlled standards

¹⁰ State testing, school system oversight

¹¹ Must meet charter performance goals or can be closed

¹² Must meet basic state safety and minimal reporting rules

- Recent NCES Common Core of Data and Private School Survey data showed that there are **1,344 public**, **26 charter**, and **265 private** schools in Alabama. ^{[13][14]}
- **Traditional public schools** make up most of the schools in both rural (648 schools) and non-rural (696 schools) areas.¹⁵
- **Private schools** are much more concentrated in non-rural areas. There are more than three times as many private schools in non-rural areas (201) as in rural areas (64).¹⁶
- **Charter schools** make up the fewest number of schools in rural (3) and non-rural (23) areas.¹⁷
- Most private schools in Alabama are **faith-based** (194), than **not** (71).¹⁸
- See **Figure 2** for more information on geographical differences.

¹³ NCES, “Public School Enrollment and Pupil/Teacher Ratio by State, 2024–25,” ELSI.

¹⁴ U.S. Department of Education, National Center for Education Statistics, *Private School Universe Survey (PSS), 2023–24*, accessed August 31, 2026.

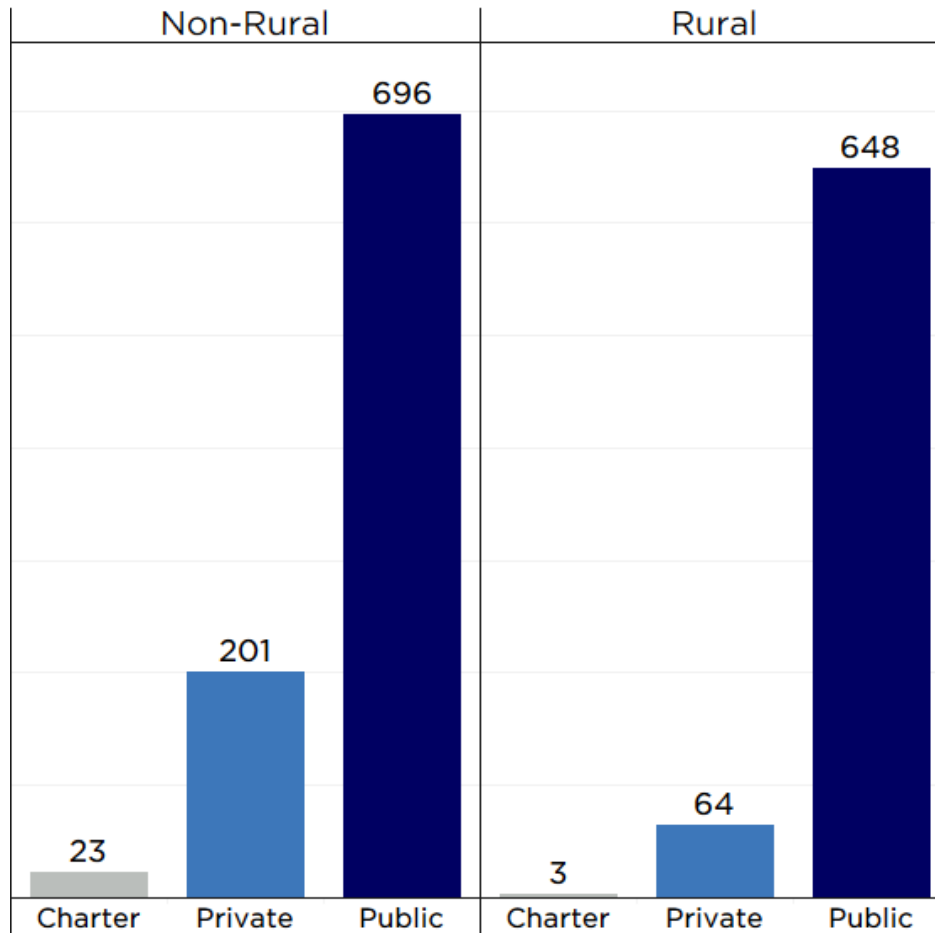
¹⁵ NCES, “Public School Enrollment and Pupil/Teacher Ratio by State, 2024–25,” ELSI.

¹⁶ NCES, *Private School Universe Survey (PSS), 2023–24*.

¹⁷ NCES, “Public School Enrollment and Pupil/Teacher Ratio by State, 2024–25,” ELSI.

¹⁸ NCES, *Private School Universe Survey (PSS), 2023–24*.

Figure 2. Rural vs. Non-Rural Schools in Alabama



Source: Alabama State Department of Education (ALSDE); National Center for Education Statistics (NCES); Common Core of Data (CCD). Private School Survey (PSS)

Note: Public and charter school counts are based on 2024-25 Common Core of Data (CCD) data. Rural and non-rural classifications follow the NCES locale framework, which uses geographic data from the Education Demographic and Geographic Estimates (EDGE) program. Schools classified as city, suburban, or town are considered non-rural. Private school counts are based on 2023-24 Private School Universe Survey (PSS) data, the most recent year available for analysis.

The Evolution of School Choice in Alabama

Alabama Accountability Act (2013)

The Alabama Accountability Act (AAA) of 2013 was designed to provide additional educational opportunities for students, particularly those from low-income families attending priority (formally known as “failing”) public schools, by allowing them to transfer to higher-performing public or participating private schools.¹⁹ **Priority schools**, schools performing in the bottom 6% statewide based on standardized assessment outcomes—are identified annually by the Alabama State Department of Education.²⁰ From 2013 to 2022, the annual priority school list consistently included 75 to 79 schools statewide.²¹

AAA Program Overview

- **Program Structure** — The Alabama Accountability Act (AAA) provides tax-credit scholarships funded by donations from individuals and corporations to Scholarship Granting Organizations (SGOs).
- **Scholarship Granting Organizations** — Since the program’s inception, Alabama has typically had between five and eight SGOs operating statewide. SGOs are nonprofit organizations that use tax-credit eligible donations to fund scholarships for eligible AAA participants.²²
- **Scholarship Administration** — SGOs administer scholarship funds for eligible students transferring from priority schools to participating private schools or other qualifying educational settings.²³

¹⁹ Institute for Justice, “Alabama School Choice: Alabama Parents Join Legal Battle to Protect School Choice.”

²⁰ ALSDE, “Alabama Accountability Act: Talking Points,” 2022.

²¹ Alabama Public Radio and Associated Press, “Schools Failing Under Alabama Accountability Act,” 2013.

²² Alabama Department of Revenue, “Annual Public Reports,” Scholarship Granting Organization annual reports, 2025, accessed August 31, 2026.

²³ ALDOR, “Annual Public Reports.”

- **Donations** — From 2013 to 2025, individuals and corporations contributed nearly \$292 million to SGOs. A donor’s contribution to SGOs is counted as a tax credit toward the donor’s state income taxes owed.²⁴
- **Scholarships Awarded** — Over the same period, approximately \$252 million was used to fund 43,026 scholarships (see Table 2).²⁵
- **Eligibility Requirements** — AAA eligibility varies by program but generally prioritizes Alabama students assigned to priority schools and families meeting income requirements.²⁶
- **Income Requirements** — Household income for **new scholarship recipients** cannot exceed 250% federal poverty level (FPL) in the calendar year prior to receiving the scholarship. ^{[27][28][29]} **Continuing recipients** or those who have previously received a scholarship, may continue participating until their household income exceeds 350% FPL or the student reaches age 19. ^{[30][31]}
- **School Status** — Students already enrolled in private schools are generally ineligible for an initial AAA scholarship, subject to certain statutory exceptions.³²

Expanded income thresholds over time have broadened access while maintaining an emphasis on students with financial need (see **Appendix A** for a detailed overview of the eligibility requirements).

AAA Participation

Table 2 shows the AAA participation rates from 2013–2025 based on reports that SGOs were required to submit. Since 2013, AAA participation rates have increased from 20 to around 4,000 participants annually. It is important to note that these

²⁴ ALDOR, “Annual Public Reports.”

²⁵ ALDOR, “Annual Public Reports.”

²⁶ ALDOR, “Annual Public Reports.”

²⁷ Alabama Accountability Act of 2013, Ala. Code § 16-6D-9 (2024).

²⁸ U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, “HHS Poverty Guidelines for 2026,” 2026, [ASPE, “Poverty Guidelines.](#)

²⁹ Equivalent to \$82,500 annually for a family of four in 2026.

³⁰ HHS, “2026 Poverty Guidelines.”

³¹ Equivalent to \$115,500 for a family of four in 2026.

³² *Ala. Code* § 16-6D-4 (2025).

scholarship counts are cumulative across years. They do not represent the number of unique students since the same could receive a scholarship multiple times.

Table 2. Annual AAA Scholarship Program Awards and Funding, 2013–2025

	Scholarships Awarded	Scholarship Dollars Awarded
2013	20	\$0.07M
2014	5,792	\$23.60M
2015	851	\$2.34M
2016	4,132	\$21.46M
2017	4,092	\$22.37M
2018	3,668	\$21.54M
2019	4,000	\$25.87M
2020	4,195	\$26.86M
2021	2,956	\$14.07M
2022	2,853	\$18.48M
2023	2,971	\$19.74M
2024	3,579	\$26.20M
2025	3,917	\$29.42M
Grand Total	43,026	\$252.02M

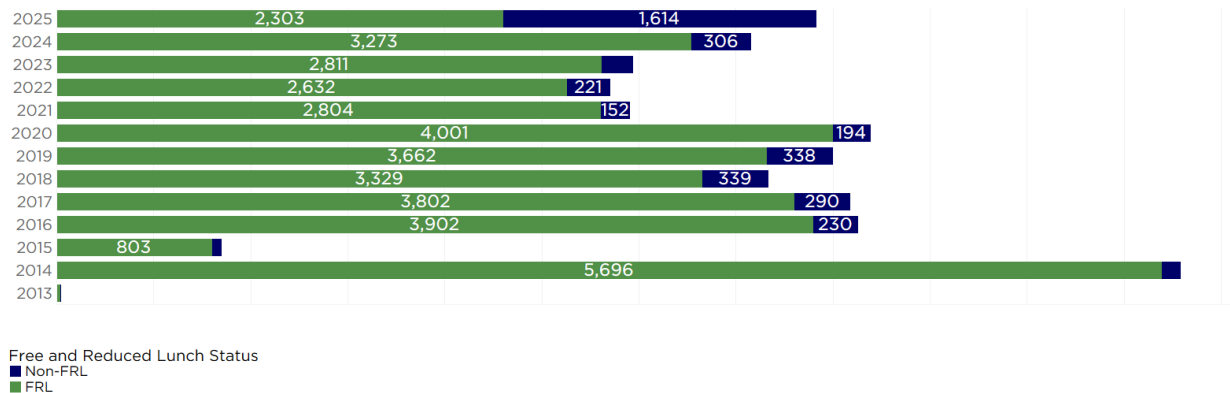
Source: Alabama Department of Revenue (ALDOR).

Note: Total number of scholarships and scholarship dollars awarded by year from 2013–2025. Data are from annual Scholarship Granting Organization (SGO) reports published by the Alabama Department of Revenue (ALDOR).

Additionally, from 2013–2025, most of the AAA scholarship recipients also qualified for free or reduced-price lunch. The percentage of scholarship students who were eligible for free lunch decreased from approximately 98% in 2014 to 59% in 2025. Despite this decline, most scholarship students remained free-lunch eligible in 2025, which is consistent with the program’s continued focus on students from lower-income families (see **Figure 3**).³³

³³ Alabama Department of Revenue, “Alabama Accountability Act,” accessed August 31, 2026.

Figure 3. AAA Scholarship Recipients by FRL Status, 2013–2025



Source: Alabama Department of Revenue (ALDOR).

Note: Total number of AAA scholarship recipients from 2013–2025 who receive free and reduced lunch (FRL) and those who do not receive it (Non-FRL) for each year. Data come from annual Scholarship Grant Organization (SGO) reports published by the ALDOR.

Student Outcomes

Participating schools are required to administer state or nationally norm-referenced assessments to Alabama Accountability Act (AAA) scholarship recipients. Comparing student outcomes is challenging because schools used different assessments and testing requirements, reported results inconsistently, and often had small groups of students available for comparison. Below are some key takeaways about student outcomes:

- **In 2020–21, 75%** of 2,968 scholarship recipients required to participate in state testing had reportable test data, in comparison to **51%** of 2,806 required participants in the following year.³⁴
- **In 2020–21**, AAA recipients generally performed near or below national norms, with stronger results in Reading/English than Math and declining performance from grades 3–8.³⁵

³⁴ Erika Steele and Joan M. Barth, *Evaluation of the Alabama Accountability Act: Academic Achievement Test Outcomes of Scholarship Recipients through 2020–2021* (Tuscaloosa: Institute for Social Science Research, University of Alabama, September 1, 2022).

³⁵ Steele and Barth, *Evaluation of the Alabama Accountability Act*, 2022.

- In **2022–23**, AAA recipients remained below national norms overall, performing better in Reading/ELA than Math, where most did not meet proficiency benchmarks.³⁶
- In **2020–21**, AAA 11th graders **performed similarly** to economically disadvantaged public-school students on the ACT but lower on the PSAT/NMSQT.³⁷
- In **2022–23**, AAA recipients had higher ACT English proficiency than economically disadvantaged public-school students, while Math proficiency was similar.³⁸
- Longer participation in AAA was not strongly related to improved academic achievement in either year. ^{[39][40]}
- AAA evaluation reports further noted that **test results should be viewed with caution** given differences in testing cycles and requirements, reporting inconsistencies, and small sample sizes. ^{[41][42]}

Public Charter Schools

Program Overview

Public charter schools were authorized in Alabama through the Alabama School Choice and Student Opportunity Act (2015), expanding educational options within the state’s public school system. Below are key takeaways from this policy:

³⁶ Erika Steele and Joan M. Barth, *Evaluation of the Alabama Accountability Act: Academic Achievement Test Outcomes of Scholarship Recipients for 2022–2023* (Tuscaloosa: Institute for Social Science Research, University of Alabama, September 1, 2024), Alabama Department of Revenue.

³⁷ Steele and Barth, *Evaluation of the Alabama Accountability Act*, 2022.

³⁸ Steele and Barth, *Evaluation of the Alabama Accountability Act*, 2024.

³⁹ Steele and Barth, *Evaluation of the Alabama Accountability Act*, 2022.

⁴⁰ Steele and Barth, *Evaluation of the Alabama Accountability Act*, 2024.

⁴¹ Steele and Barth, *Evaluation of the Alabama Accountability Act*, 2022.

⁴² Steele and Barth, *Evaluation of the Alabama Accountability Act*, 2024.

- **Operational Flexibility** — The law allows charter schools greater operational flexibility while requiring them to remain tuition-free, publicly funded, and accountable to their authorizers and state academic standards.⁴³
- **Public Funding and Charter Agreements** — Like traditional public schools, charter schools receive state public funding based on student enrollment, operating independently under performance-based charter agreements.⁴⁴
- **Open Enrollment** — Charter schools are open to all students and are not limited by traditional attendance zones.⁴⁵
- **Application Lottery** — When applications exceed available seats, admission is typically determined through a lottery process.⁴⁶
- **Local Funding and Facilities** — Charter schools receive state public funding on a per-student basis. Certain restricted or earmarked local revenues are excluded, and local tax allocations to start-up charter schools are capped at the per-student portion of the state-required 10-mill ad valorem match.⁴⁷

These characteristics position charter schools as an alternative public-school option within Alabama’s broader school choice landscape.

Participation

Despite the addition of charter schools as an education program option, traditional public schools continue to account for most schools and student enrollment in Alabama at nearly 715,000 students in 2026. **Charter school enrollment** has increased from 1,187 students in 2020 to 7,228 students in 2026. However, traditional **public schools** still appear to be the primary public education option for Alabama K-12 students.

⁴³ Alabama Legislature, *Alabama School Choice and Student Opportunity Act*, Act No. 2015-3 (2015), § 4, [Alabama State Department of Education PDF](#)

⁴⁴ *Alabama School Choice and Student Opportunity Act*, Ala. Code §§ 16-6F-7(e), 16-6F-10(b) (2025).

⁴⁵ *Alabama School Choice and Student Opportunity Act*, Ala. Code §§ 16-6F-5(a), 16-6F-7(b)(3) (2025).

⁴⁶ *Alabama School Choice and Student Opportunity Act*, Ala. Code § 16-6F-7(a)(8)(n) (2025).

⁴⁷ *Alabama School Choice and Student Opportunity Act*, Ala. Code § 16-6F-10(b)(1)(b)-(g) (2025).

Student Outcomes

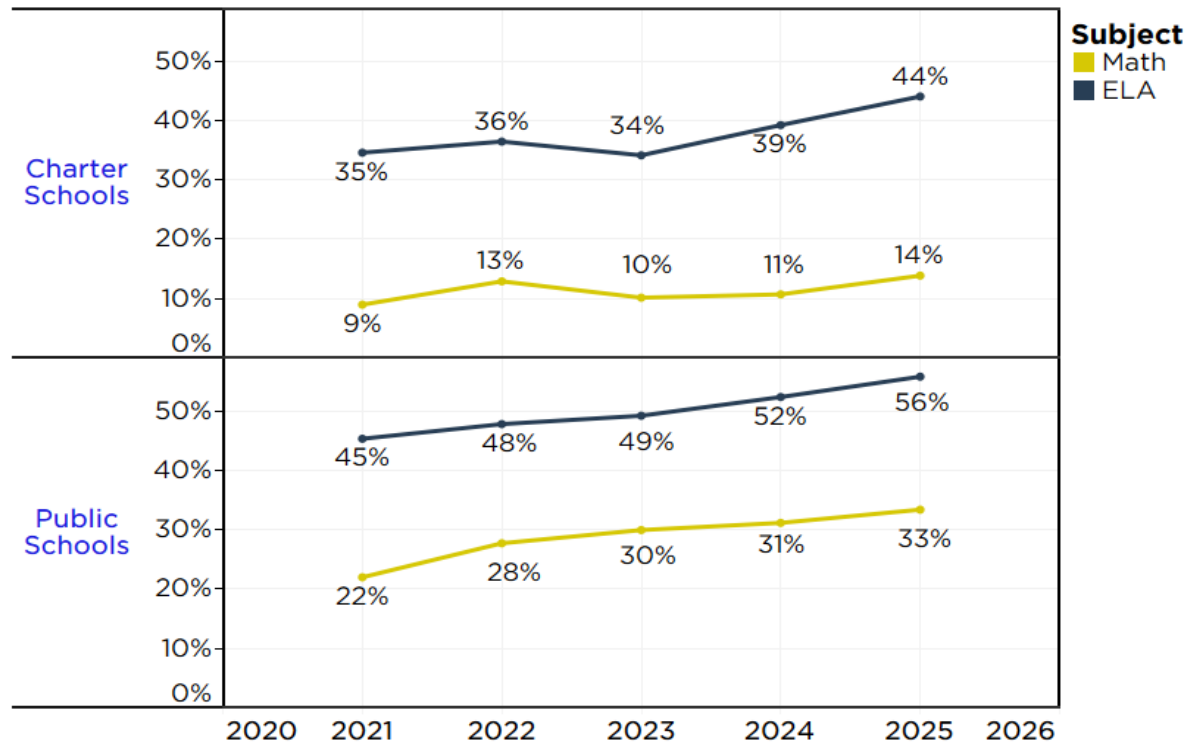
Reading and math proficiency trends provide a way to compare academic performance between Alabama's traditional public and charter schools over time. However, some charter schools serve students with greater academic needs, making student growth an important complement to proficiency when assessing performance.⁴⁸

While academic outcome data are not collected specifically in relation to the Alabama School Choice and Student Opportunity Act (2015), Figure 4 shows a comparison of available proficiency data for both school types. Here are some key things to note:

- **Public schools** consistently had higher proficiency rates than charter schools in both ELA and math from 2021–2025.
- **Math proficiency** Public-school proficiency increased from 22% to 33%, compared with 9% to 14% among charter schools.
- **ELA proficiency** increased overall, rising from 45% to 56% among public schools and from 35% to 44% among charter schools.
- **By 2025, the public–charter proficiency gap** was about 12 percentage points in ELA and 19 percentage points in math, with public schools having higher rates in both subjects (see Figure 4).

⁴⁸ Gleason et al., *The Evaluation of Charter School Impacts: Final Report* (U.S. Department of Education, 2010).

Figure 4. Alabama Charter and Public-School Academic Proficiency, 2021-2025



Source: Alabama State Department of Education (ALSDE); National Center for Education Statistics (NCES); Common Core of Data (CCD).

Note: Shows the percentage of public and charter school students who are performing at proficiency in math and ELA. Data were from ACAP (grades 2-8) and ACT (grade 11) assessments. Data were not collected during the 2019-20 school year due to COVID-19.

Creating Hope and Opportunity for Our Students' Education (CHOOSE) Act (2024)

Program Overview

Unlike the Alabama Accountability Act (AAA), which primarily targeted students assigned to priority schools, the CHOOSE Act (2024) provides broader access to state-funded educational assistance that may be used across public, private, charter, and home education settings. Here are some key takeaways from the CHOOSE Act program:

- **Expanded School Choice** — Enacted in 2024, the CHOOSE Act established state-funded Education Savings Accounts (ESAs), expanding educational assistance beyond the AAA’s focus on students assigned to priority schools.⁴⁹
- **ESA Administration** — ESAs are administered through ClassWallet, a private digital wallet and fund-management provider that supports ESA programs in Alabama and several other states.⁵⁰
- **Awards and Uses** — Students enrolled in public, private, or charter schools may receive up to \$7,000 annually, while home-education students may receive up to \$2,000 per student (up to \$4,000 per family). Funds may be used for approved educational expenses, including tuition, tutoring, curriculum materials, and certain therapeutic services.⁵¹
- **Program Participation** — As of 2026, over 260 schools and 700 education service providers participate in the program.⁵²
- **Program Funding** — For the 2025–26 school year, roughly \$124 million was allocated to fund the program; however, the final funding amount that was awarded through Education Savings Accounts (ESAs) was approximately \$99 million.⁵³ Based on the current number of 2026–27 applicants, it is expected that roughly \$174 million could be awarded through ESA funding.⁵⁴
- **Eligibility** — CHOOSE Act eligibility is based on residency, grade level, income, and participation status (see Appendix A for more information). Initially limited to families earning up to **300% of the federal poverty level (FPL)**,⁵⁵ however, the program is scheduled to remove income restrictions beginning in **FY 2027–28**, expanding access to a broader population of Alabama students.

⁴⁹ *Creating Hope and Opportunity for Our Students’ Education (CHOOSE) Act of 2024*, Ala. Act No. 2024-21, §§ 4–5 (2024); *Alabama Accountability Act of 2013*, Ala. Code § 16-6D-4.

⁵⁰ ALDOR, “The CHOOSE Act Program Data.”

⁵¹ ALDOR, “The CHOOSE Act Program Data.”

⁵² Alabama Department of Revenue (ALDOR), CHOOSE Act program data for school years 2025–26 and 2026–27, provided to the author via email, 2026.

⁵³ Evancho, “Governor Ivey Announces Full Funding for CHOOSE Act Education Savings Accounts.”

⁵⁴ Harrison, “Ivey Announces \$174M in CHOOSE Act Funding for 34,000 Students.”

⁵⁵ 300% FPL is equivalent to an annual household income of \$99,000 for a family of four in 2026.

Participation

- **CHOOSE Act participation** increased substantially between 2025–26 and 2026–27, with total applicants rising from 18,333 to 34,156, an increase of about 86%.^{[56][57]}
- **Total ESA awards** also grew from approximately \$98.7 million to \$173.2 million, although the 2026–27 figures⁵⁸ remain preliminary and subject to change (see Table 3).

Table 3. CHOOSE Act Applicant and ESA Award Information

	New Applicants	Renewal Applicants	Total # of Applicants	Total ESA Award
2025-26	18,333	0	18,333	\$98,660,280
2026-27*	15,872	18,284	34,156	\$173,171,000

Source: Alabama CHOOSE Act program data.

Note: The 2025–26 data represent participants who completed the application process and received ESA funds. The 2026–27 data represent applicants who are still in the process of being confirmed as participants. As of August 11, 2026, the 2026–27 application data were preliminary and subject to change.

Figure 5 shows the distribution of applicants across education program types, including those who received ESA funds in 2025–26 and those who were eligible to receive funds in 2026–27. Below are key takeaways about the distribution of applicants across these education options:

- Among the available education options, most CHOOSE Act applicants elected to attend **private schools** in both program years.⁵⁹
- **Home education** represented the second-largest share of the group, increasing slightly from 30% in 2025–26 to 32% in 2026–27.⁶⁰

⁵⁶ ALDOR, “The CHOOSE Act Program Data.”

⁵⁷ 2025–2026 data are specific to participating students or those that fully activated their ESA. 2026–27 data represent applicants who may be eligible but have not been confirmed as participants.

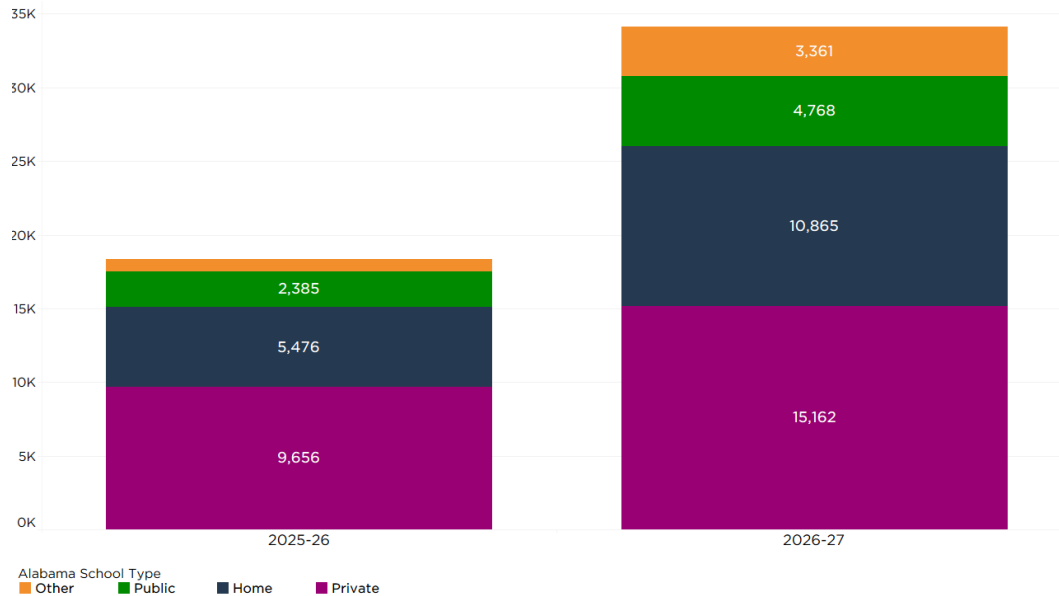
⁵⁸ Award totals for the current year are still being finalized; therefore, amounts reported for that year should be considered pending and are subject to change.

⁵⁹ ALDOR, “The CHOOSE Act Program Data.”

⁶⁰ ALDOR, “The CHOOSE Act Program Data.”

- **Public schools** accounted for roughly 13% and 14% of applicants, respectively, in both years, despite the increase of applicants.⁶¹

Figure 5. CHOOSE Act Applicants by Alabama Education Program



Source: Alabama CHOOSE Act program data.

Note: The "Other" category represents applicants who were labeled as "Incomplete/Kindergartener" or "Out of School". Only 816 of the 2025-26 applicants were classified as "Other". 2026-27 application data are preliminary and subject to change as of August 11, 2026.

Applicant Characteristics

Figure 6 shows the racial and ethnic makeup of the CHOOSE Act applicants to offer insight into those who participated in the program and how participation may have varied across demographic groups.

- **White applicants** represented the largest share of CHOOSE Act applicants in both years, increasing slightly from roughly 66% in 2025-26 to 68% in 2026-27.⁶²
- **Black applicants**, the second-largest applicant group, accounted for 21% in 2025-26 and 22% in 2026-27.⁶³
- **Hispanic applicants** increased slightly from 4% to roughly 5%, while applicants classified as "Other" declined from roughly 9% in 2025-26 to 5% in 2026-27.⁶⁴

⁶¹ ALDOR, "The CHOOSE Act Program Data."

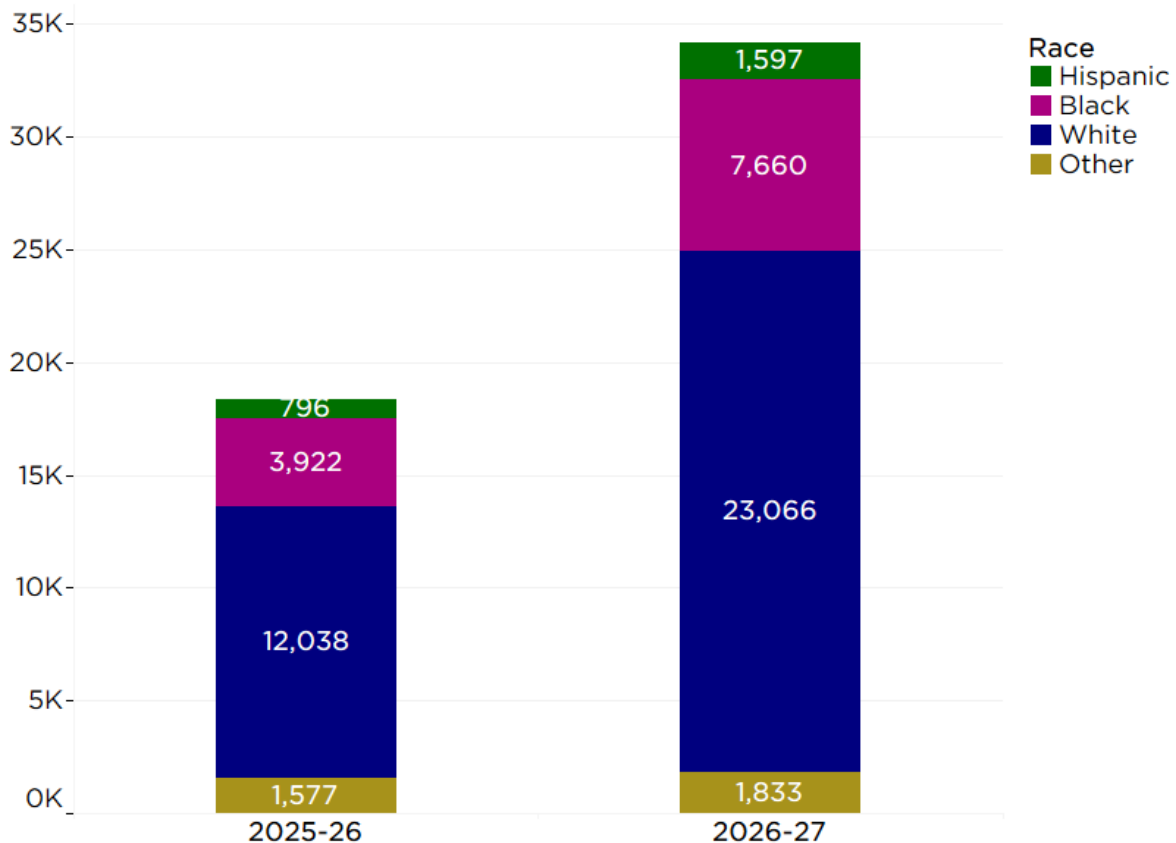
⁶² ALDOR, "The CHOOSE Act Program Data."

⁶³ ALDOR, "The CHOOSE Act Program Data."

⁶⁴ ALDOR, "The CHOOSE Act Program Data."

- **The overall racial and ethnic composition** remained relatively stable across the two award years.

Figure 6. Race and Ethnicity Composition of CHOOSE Act Applicants



Source: Alabama CHOOSE Act program data.

Note: The "Other" category represents the percentage of applicants who identified as Asian, American Indian, Middle Eastern/African, Native Hawaiian/Pacific Islander and Other Race/Ethnicity. 2026-27 application data are preliminary and subject to change as of August 11, 2026.

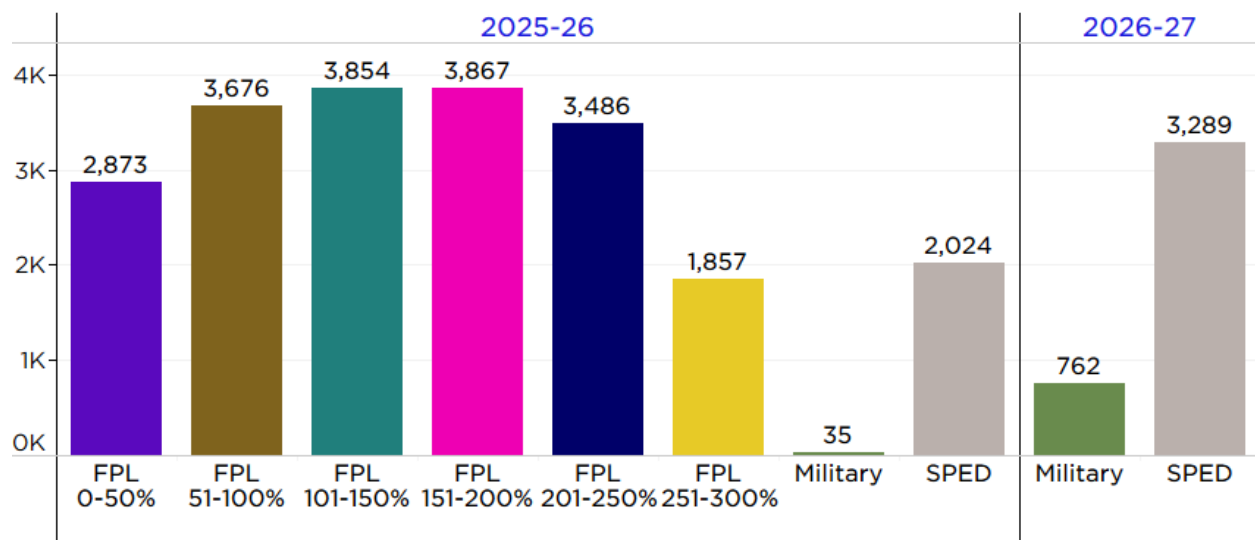
The CHOOSE Act gives priority consideration to certain groups of applicants, including students with special education needs (for the first 500 ESAs awarded), children of active-duty military families, and applicants with an adjusted gross income (AGI) or household income at or below 300% of the federal poverty level (FPL) (see **Figure 7** for additional information).⁶⁵ Below are key facts about applicants in the 2025-26 and 2026-27 program years:

⁶⁵ Household income at or below 300% FPL (\$99,000 for a family of four in 2026).

- Only a small share of applicants received **special education (SPED) services**, accounting for 11% (2,024) of applicants in 2025–26 and approximately 10% (3,289) in 2026–27. **The remaining roughly 90%** of applicants were not identified as receiving SPED services in both years.⁶⁶
- **Applicants from active-duty military families** represented 0.2% or 35 applicants in 2025–26. In 2026–2027, that total increased to 762 applicants (2.2%) in 2026–27, meaning more than 97% of applicants in each year were not identified as children of active-duty military families.⁶⁷
- In 2025–26, the largest numbers of **income-priority applicants** were in the **151–200% FPL (3,867)** and **101–150% FPL (3,854)** categories, followed closely by 51–100% FPL (3,676).⁶⁸

Figure 7. CHOOSE Act Applicants in Priority Groups

Federal Poverty Level, Special Education, and Active-Duty Military Family Applicants by Award Year



Source: Alabama CHOOSE Act program data.

Note: "FPL" stands for Federal Poverty Level which was used to measure applicants' household adjusted gross income (AGI). "SPED" represents applicants that receive special education services. 2026–27 application data are preliminary and subject to change as of August 11, 2026.

⁶⁶ ALDOR, "The CHOOSE Act Program Data."

⁶⁷ ALDOR, "The CHOOSE Act Program Data."

⁶⁸ See Appendix C for a 2026 Federal Poverty Level (FPL) Income Equivalencies for a Family of Four.

Student Outcomes

The CHOOSE Act is in the early stages of implementation, which limits the ability to fully assess student outcomes. Because the CHOOSE Act is structured similarly to the Alabama Accountability Act (AAA), it may face many of the same data limitations, particularly because participating private and home-school students are not subject to the same state curriculum and assessment requirements as public and charter school students. This information will be updated as the program develops and additional data becomes available.

Conclusion

Over time, school choice in Alabama has evolved from the targeted interventions established under the Alabama Accountability Act (AAA) to a broader framework that includes charter schools and the CHOOSE Act's education savings accounts.

Proponents of school choice argue that such policies have expanded the range of educational options available to Alabama families, introducing new mechanisms for accessing public, private, charter, and home-based education programs.

As participation in such programs continues to grow, lawmakers and stakeholders may seek to better understand how factors such as student access impact the quality of educational opportunities and student outcomes across different populations and regions of the state. Continued monitoring and evaluation of these programs will be crucial in identifying participation patterns, effective implementation practices, accountability measures, and other potential effects of school choice. These topics will be examined in greater detail in future policy reports.

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Appendix A

Overview of Alabama Accountability Act Eligibility Requirements

	Tax Credit System	Tax-Credit Scholarship System
School Status	Assigned to or attending a priority school	Meets income eligibility requirements; priority may be given to students from priority schools
Residency	Must be an Alabama resident	Must be an Alabama resident
Income Requirement	No explicit income cap	Household income must meet program income thresholds ⁶⁹
Enrollment Requirement	Transfer to a non-priority public school or eligible private school	Enroll in a participating private school
Scholarship Granting Organization (SGO)	Not required	Must apply through an approved SGO
Priority Considerations	Students seeking to leave priority schools	Students with financial need and those from priority schools

Source: Alabama Department of Revenue, *Alabama Accountability Act*. [Alabama Accountability Act](#)

⁶⁹ Typically, a percentage of federal poverty level

Appendix B

Overview of CHOOSE Act Eligibility Requirements

Eligibility Category	CHOOSE Act Requirement
Residency	Student must be an Alabama resident
Grade/Age Requirement	Must be in grades K-12; generally ages 5-19 (up to age 21 for students with disabilities)
Graduation Status	Student must not have already graduated from high school
Priority Groups	Priority is given to the first 500 students with special needs. Also siblings of current participants, and active-duty military children are prioritized.
Documentation Required	Parents must provide documentation verifying income, residency, guardianship, and eligibility for priority categories if applicable
Initial Income Requirement	Families initially had to earn no more than 300% of the federal poverty level (about \$80,000 for a family of three)
FY 2027-28 Change	Income limits will be removed beginning in FY 2027-28
Ineligible Students	Source: Alabama CHOOSE Act, CHOOSE Act Program Guide. CHOOSE Act Program Guide

Source: Alabama CHOOSE Act, *CHOOSE Act Program Guide*. [CHOOSE Act Program Guide](#)

Appendix C

2026 Federal Poverty Level (FPL) Income Equivalencies for a Family of Four

% FPL	Annual Household Income Equivalent for Family of 4
0-50%	\$0-\$16,500
51-100%	\$16,501-\$33,000
101-150%	\$33,001-\$49,500
151-200%	\$49,501-\$66,000
201-250%	\$66,001-\$82,500
251-300%	\$82,501-\$99,000

Source: U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, *2026 Poverty Guidelines*.



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