HOUSE BILL 87:
Educational Choice for Children Act (ECCA).

2025-2026 General Assembly

Analysis of:	S.L. 2026-6	**Date:**	August 25, 2026
		Prepared by:	Legislative Analysis Division Staff

S.L. 2026-6 (House Bill 87) and Section 8A.19 of S.L. 2026-41 (Senate Bill 257) authorize the State Education Assistance Authority (SEAA) to certify and submit a list of qualifying scholarship granting organizations to the United States Secretary of the Treasury (Secretary). The act voluntarily elects the State to (i) participate in the federal tax credit program under § 25F of the Internal Revenue Code and (ii) identify scholarship granting organizations located in the State. The federal tax credit program provides tax credits for individual contributions to scholarship granting organizations that provide elementary and secondary education scholarships.

SEAA must submit to the Secretary and publish on its website a list of the scholarship granting organizations located in the State that meet the federal requirements. SEAA can establish rules governing the process and documentation necessary for an organization to be included on the list and enter into agreements with other State agencies to meet these requirements.

SEAA must comply with all federal regulations regarding the administration of the federal tax credit program set in federal law to ensure that the State can participate in taxable years beginning after December 31, 2026. SEAA must establish any necessary rules by the later of July 1, 2026, or within 120 days of federal regulations being published.

Scholarship granting organizations can provide scholarships for home school expenses to the extent allowed under federal law.

Section 8A.19 of S.L. 2026-41 authorizes SEAA to use up to $1 million for administering the federal tax credit for the 2026-2027 fiscal year. For any funds used to administer the federal tax credit, SEAA must report to the Joint Legislative Education Oversight Committee on all of the following:

- The source or sources of funds SEAA used and the amounts from every source.
- The funds needed to support administration of the federal tax credit in the 2027-2028 fiscal year and thereafter.

House Bill 87 was vetoed by the Governor on August 6, 2025, and that veto was overridden by the General Assembly on June 3, 2026. The election to have the State participate in the federal tax credit program became effective June 3, 2026. Section 8A.19 of S.L. 2026-41 became effective July 1, 2026.