

DATE:	August 21, 2025
SUBJECT:	2026–27 Preliminary Public Education Grant (PEG) List Available
CATEGORY:	Performance Reporting
NEXT STEPS:	Share with appropriate staff

The purpose of this communication is to inform school systems about the posting of the Preliminary 2026–27 Public Education Grant (PEG) List for use in the 2026–27 school year.

Note: Following the August 15, 2025, release of preliminary 2024 A–F ratings, a PEG List reflecting 2024 preliminary overall scaled scores less than 60 has been posted to the [2024 Accountability Rating System webpage](#) as required by statute, but is not applicable to the 2025–26 school year due to the lawsuit that delayed the 2024 ratings release. A separate TAA provides updates on the Final 2025–26 PEG List, which reflects the August 19, 2025, release of final 2023 A–F ratings.

2026-27 Public Education Grant (PEG) List

Following the August 15, 2025, release of the 2025 Preliminary A–F Academic Accountability Ratings, campuses that received a 2025 preliminary overall scaled score less than 60 are on the Preliminary 2026–27 PEG List available on the [Public Education Grant webpage](#). It is possible for a campus to be removed from the 2026–27 PEG list if a campus appeals its accountability rating and the appeal is successful. While academic accountability ratings are appealable, placement on the PEG list is not. After all accountability ratings appeals are resolved and the 2025 A–F Accountability Ratings are final, the Texas Education Agency will contact the superintendent of any district that has a campus removed from the PEG list. Notification of eligibility to families of students currently assigned to attend a campus on the 2026–27 PEG List is not required until **February 1, 2026**, after 2025 A–F Accountability ratings are final. Statute also stipulates that the notice must contain an explanation of the PEG program and how the parent may obtain further information about pursuing a transfer.

Under the PEG interdistrict transfer provision, a parent of a student enrolled in any of the campuses listed may apply to transfer to a campus in another school district for the 2026–27 school year. A school district chosen by a student’s parent under this statute is entitled to accept or reject the application to transfer but may not use criteria that discriminate on the basis of a student’s race, ethnicity, academic achievement, athletic abilities, language proficiency, sex or socioeconomic status. Alternatively, a district may accept interdistrict transfers under Texas Education Code (TEC), §25.036.

Under the PEG intradistrict transfer provision, a parent of a student enrolled in any of the listed campuses may apply to transfer to another campus within the same school district.

The PEG program is authorized under Texas Education Code (TEC), Chapter 29, Subchapter G, §§29.201–29.205. More information to assist districts and to guide families is available on the [Public Education Grant FAQ webpage](#).

PEG Program Requirements

Requirements of the PEG program are summarized below.

Requirements	Explanation
Effective Date of PEG Transfer	2026–27 school year
Parent Notification Deadline	February 1, 2026
Allotment	For interdistrict transfers, the district educating the child receives an additional weight of 0.1; limited to net students educated on PEG.
Interdistrict Transfers (across districts)	These may be refused or accepted by the district receiving the transfer request.
Intradistrict Transfers (within district)	These are explicitly permitted, although no additional funding is allotted for this type of transfer.
Continued Student Eligibility for Interdistrict Transfer	Student eligibility for PEG transfers is based on assignment to attend a PEG campus in the district of residence. Student eligibility expires upon either one of the following two conditions: • Completion of all grades offered by the campus upon which eligibility was originally based • Assignment of the student to a campus that is not on the PEG List as a result of redrawn attendance boundaries or student movement into a different attendance area A receiving district is permitted to continue to treat a student as PEG eligible (and draw the PEG funding weight) after expiration of eligibility only if the student has not yet completed all grades on the campus to which the student transferred during the eligibility period.
Campus Identification Criteria	Campuses that received a Preliminary 2025 Overall Campus Rating with a scaled score less than 60 are on the Preliminary 2026-27 PEG List
Transfer Restriction	A student may only transfer from a PEG campus to a non PEG campus.
Tuition Prohibition	Tuition may not be charged to the student's parent/guardian or to the school district of residence.
Transportation	The school district in which the student resides is not required to provide transportation free of charge from the PEG-listed campus to the new campus. The district is only responsible for providing the transportation it would otherwise provide (as if the student did not transfer).

PEG Reporting and Funding

Pursuant to TEC, §48.107, for each student in average daily attendance who is using a public education grant under Subchapter G, Chapter 29, to attend school in a district other than the district in which the student resides, the district in which the student attends school is entitled to an annual allotment equal to the basic allotment multiplied by a weight of 0.1.

The district providing educational services to the student will report attendance as it would for any other student. Districts should report PEG students in PEIMS Summer Submission with STUDENT-ATTRIBUTION-CODE 03, which is used to calculate PEG funding. The Summary of Finances reports are updated annually at near-final settle up in early September based on this information.

There are no special accounting requirements or limitations on the use of PEG-related funds. Keep in mind that a district is eligible to receive PEG-weighted funding only to the extent that the number of students accepted on the basis of a PEG exceeds the number of resident students who are educated in other districts on a PEG.

Additional Questions or Support

Please direct questions about either the PEG program or the methodology used to determine PEG-listed campuses to the Performance Reporting Division at (512) 463-9704 or performance.reporting@tea.texas.gov. Questions about funding implications should be directed to the State Funding Division at (512) 463-9238 or sfinance@tea.texas.gov.