



[Home \(/\)](#) / [Texas Schools \(/texas-schools\)](#) / [Accountability \(/texas-schools/accountability\)](#)
/ [Academic Accountability \(/texas-schools/accountability/academic-accountability\)](#)
/ [Performance Reporting \(/texas-schools/accountability/academic-accountability/performance-reporting\)](#)

Public Education Grant (PEG) FAQ

Updated December 10, 2025

About the Public Education Grant

In 1995, the Texas Legislature created the Public Education Grant (PEG) program (Texas Education Code [TEC], §§29.201– 29.205 [↗](https://statutes.capitol.texas.gov/Docs/ED/htm/ED.29.htm#29.201) (<https://statutes.capitol.texas.gov/Docs/ED/htm/ED.29.htm#29.201>)). The PEG program permits a parent whose child attends a campus on the PEG List to request a transfer to another campus within their home district or to a campus in a different district.

A list of PEG-designated campuses is provided to districts annually. Based on final preliminary ratings released in December, districts must notify each parent assigned to a campus on the PEG List (<https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant>) by February 1 unless otherwise directed by TEA. Parents may then request a transfer for the following school year.

Through the PEG program, districts receive a slightly higher allocation of funding from the state for each PEG-transferred student. (The additional funding is equal to 10 percent of the basic allotment, which varies by campus.) PEG Lists from prior years, dating back to 1995, are available in the PEG Archives (<https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant-archive>).

Frequently Asked Questions

Please see below for frequently asked questions from both families and district personnel about the PEG. Items are organized by topic.

[Collapse All](#)

Identification of PEG Campuses

-

- **Why does a campus appear on the PEG List?**

Campuses that received an overall scaled score below 60 in 2023 are placed on the 2025–26 PEG List. Please see the [Public Education Grant](https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant) (https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant) page for the most current PEG list. For more information, please see TEC, §§29.201–29.205 [↗](https://statutes.capitol.texas.gov/Docs/ED/htm/ED.29.htm#29.201) (https://statutes.capitol.texas.gov/Docs/ED/htm/ED.29.htm#29.201).

- **Why aren't charter schools on the PEG List?**

Open-enrollment charter schools are schools of choice, and students at a charter school are eligible to transfer back to their home school district whenever they desire.

- **Do PEG calculations use the same accountability subset used for state accountability ratings?**

Yes. For more information about the accountability subset, see the Accountability Manual for the applicable school year.

PEG Transfer Process and Guidelines

-

- **How does a parent transfer their child under the PEG program?**

The parent contacts the district to which they wish to transfer their child and submits a written transfer request. Either the PEG notification letter from the home district or the [PEG List](https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant) (https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant) provides adequate justification for the PEG transfer request.

- **Can a PEG-listed campus deny a student the right to request a transfer to another campus?**

No, the purpose of the letter sent by the PEG-listed campus is to notify every parent that they can request a transfer under the PEG program.

- **Does TEA know if a PEG transfer request will be granted?**

No. PEG transfer requests are decided locally.

- **Can a parent request a transfer if they can't find or didn't receive a parent notification letter?**

Yes, simply show the destination district the [PEG List](https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant) (https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant), and explain that the student's home campus is listed.

- **Must a district accept all students who request transfers under the PEG program?**

No, but districts must follow the same policies they follow for evaluating non-PEG transfer requests. For example, they may restrict transfers by using a first-come-first-serve system and may deny further requests for lack of space.

- Interdistrict (between districts) – These may be rejected or accepted by the district receiving the transfer request based on existing district policy.
- Intradistrict (within district) – These requests may also be rejected or accepted based on existing district policy, although no additional funding is allotted for this type of transfer.

- **Are districts allowed to limit PEG transfers based on student performance on STAAR or other measures of student performance?**

No, districts may not discriminate based on a student's academic performance. A school district chosen by a student's parent under TEC §29.201 is entitled to accept or reject the application for the student to attend a campus in that district 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 (TEC §29.203 [d]).

- **Can a district refuse to accept a transfer because they do not wish to incur the additional special education expenses for that student?**

No, a district cannot discriminate based on special education needs.

- **Can a district accept PEG transfers only for the children of staff?**

No, however, a district may deny PEG transfers and accept non-PEG transfers for the children of staff if this is consistent with the district's policy.

- **Does the ability to transfer last the duration of the school year?**

Yes, once the list is final, parents may request a transfer under the PEG program any time during the school year(s) to which the [PEG List](https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant) (https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant) is applicable.

- **Can a student transfer from one PEG-listed campus to another PEG-listed campus under the PEG program?**

No, under the PEG program criteria, a student may not transfer from one PEG-identified campus to another PEG-identified campus.

- **In the case of larger districts with multiple campuses that are not on the PEG List, can students request a transfer to another campus that is within the district?**

Yes.

- **Are districts required to allow intradistrict transfers?**

Districts must follow the same policies they follow in allowing any transfer requests. For example, they may deny a request because of lack of space.

- **If a student transfers under the PEG program, is their athletic eligibility affected?**

Possibly. Rules regarding UIL eligibility are governed by the University Interscholastic League, not by TEA or school districts. See the downloadable [TEA-UIL Side by Side](https://www.uil-texas.org/policy/tea-uil-side-by-side)  (<https://www.uil-texas.org/policy/tea-uil-side-by-side>). Pages 11-12 address PEG transfers.

Transportation for PEG Transfers

-

- **Are districts responsible for providing transportation for students if they transfer to a campus in another district?**

No, districts are not required to provide transportation for students who transfer to another district under the PEG program.

The school district in which a student resides shall provide each student attending a school in another district under this subchapter transportation free of charge to and from the school the student would otherwise attend (TEC 29.203 [f]).

The phrase, “to and from the school the student would otherwise attend” means that the district is not required to provide transportation beyond what it would normally provide—to and from the students' homes and their regularly assigned campuses. In other words, neither the zone assigned nor receiving district is required to provide transportation to the new campus.

District Responsibilities for the PEG Program

-

- **Is there an overview of district responsibilities?**

Correspondence will be sent via email on August 19, 2025 to superintendents of districts with at least one campus on the [PEG List](https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant) (<https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant>). The letter addresses district responsibilities.

- **Districts are instructed to provide a clear, concise explanation of PEG when they notify parents. Can TEA provide such an explanation or provide a sample letter that could be used to send to parents?**

The district is expected to write its own letter addressing its specific situation. In writing this letter, it is recommended that local administrators

- state the basic situation (that the campus is on the PEG List for the 2026–27 school year);
- describe the PEG program (see the answer to the first question in this FAQ);
- explain how the campus came to be on the list;

- address how the campus plans to remedy any problems; and
- state the district's policy regarding in-district transfers if that is an option for parents.
- **The TEA letter instructs districts to inform parents how to obtain a transfer. What should be said?**

The letter should clearly state that parents must contact the destination district and submit a written transfer request. The letter they have received from the home district or the [PEG List](https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant) (<https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant>) provides adequate justification for the transfer request.

- **Do districts need to contact other districts to let them know they have a PEG-listed campus?**

No.

- **Are districts obligated to prepare the application for a transfer on behalf of the parent?**

No, the student's parent or guardian needs to apply for the transfer.

- **If a district is working with the agency to remove a campus from the list, does the notification letter to parents still need to be sent by February 1?**

Yes, because the outcome of the correspondence is unknown, districts must comply with statute by notifying parents of the campus' status as of February 1. However, the notification can include a statement that communication with the agency is in progress and that the campus' PEG status may change. There is no appeals process once the Final PEG List is released.

- **Do PEG-listed campuses have other special requirements they must meet to get off the list, such as more highly trained teachers or a smaller teacher-student ratio?**

No, there are no special requirements to get off the list. PEG-listed campuses must work to improve their overall performance.

PEG Notification and Eligibility Scenarios

-

- **Are districts required to send letters to parents of fifth graders for a K-5 campus since they will most likely be rising to a different campus next year?**

Yes, according to statute, districts are required to send the notice to all students. There is a possibility that some fifth graders will be retained and attend the campus again. Such retained students are eligible for transfers under PEG guidelines. However, only students who would otherwise attend the K-5 campus in 2025-26 are eligible for PEG transfers from that campus.

- **Must districts notify parents of incoming students, such as freshmen or kinder students, if their zone assigned campus is identified on the list?** No, while those students also have the right to request a transfer, statute specifies that notification by February 1, or as specified by TEA, to parents of students currently assigned to the PEG-listed campus is sufficient. (September 1 for the 2025-2026 PEG list only)
- **If a student moves into a PEG-listed campus after the notification has been sent out, must the campus provide them notification?**

Notification is not required beyond the February 1 deadline specified in statute; however, all stu-

dents who are eligible to attend a PEG-listed campus during a specific school year must be given the opportunity to request a transfer if they wish. (September 1 for the 2025-2026 PEG list only)

- **Are students rising to a new campus for the coming year, such as incoming MS or HS students, eligible to request a PEG transfer if their new zone assigned school is on the PEG list for the coming school year?** Yes.
- **The district changed the grade configuration completely, from middle school to elementary school, but kept the same campus number. The district will send the required PEG notification to the parents of this new elementary. Can parents request a transfer from this elementary to another elementary, even though it was performance at the middle school that put us on the PEG List?**

Yes, if the campus identification number remains the same, the new campus will still be on the [PEG List](https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant) (<https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant>), regardless of the changed grade span. Parents can request to transfer to a campus with the same grade as the PEG-listed campus or to a similar campus outside the district.

- **What happens to students who transferred to a district under the PEG program, and in a subsequent year the campus they transferred to becomes a PEG-listed campus? Do they remain eligible to stay at the campus? Is funding sustained? Do the PEG-transferred students get the same notification as all other enrolled students?**

The conditions of their original transfer are no longer in effect. They may still request to transfer during that school year but only as a non-PEG transfer. The receiving district can no longer receive PEG funding for transfers to a campus that has become a PEG-listed campus. All students attending a campus that is PEG-identified must be notified that the campus they are attending is on the [PEG List](https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant) (<https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/public-education-grant>). If the student's zone assigned campus is on the PEG list for that year, they may request a PEG transfer based on that campus.)

- **Please explain continued student eligibility in cases where a campus is no longer PEG-listed or the student's attendance zone changes.**

Student eligibility for PEG transfers is based on zoned assignment to a current PEG campus in the district of residence. Student eligibility expires upon either of two conditions:

- Completion of all grades served by the PEG-listed campus upon which eligibility was originally based
- Zoned assignment of the student to a campus that is not on the PEG List because 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 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.

Financial Implications

- **Can a district charge tuition for a student who transfers under the PEG program?**

No.

- **Can a district accept paid-tuition transfers but decline PEG transfers?**

Yes, a district may accept paid-tuition transfers but decline PEG transfers. Specifically, a district may do any of the following: accept regular transfers under TEC, Chapter 25, accept PEG transfers, accept both or neither. The district's policy must be consistent on this.

- **Can a district accept a student from a PEG-listed campus but not call it a PEG transfer and charge them?**

Yes, if district policy is to accept transfers under TEC, Chapter 25, but not PEG transfers, a student from a PEG-listed campus would be treated the same as any other transfer student under TEC, Chapter 25, including charging any tuition permitted under §25.038.

- **What if a district has a paid-tuition transfer student from a campus that later becomes a PEG-listed campus, can they continue to charge tuition?**

Yes, if they do not take PEG transfers. However, if they do take PEG transfers, they must treat the student as a PEG transfer during the school year that the student becomes PEG eligible.

- **If a parent is paying tuition for a student to attend a non-PEG campus under a tuition transfer agreement and the student's home campus becomes a PEG-listed campus, can the parent stop paying tuition and the student continue to attend the campus of choice?**

Yes, as long as the receiving district agrees to accept the student under the PEG program.

- **Can a district charge an additional "transfer fee" for accepting a student who transferred under the PEG program?**

No, the school district cannot charge a transfer fee for a PEG transfer. They can only charge fees where they have been granted statutory authority to charge fees.

- **Are charter schools eligible for PEG funding?**

No.

Related Content

Performance Reporting Home (<http://tea.texas.gov/perfreport>)

Public Education Grant (/node/106545)

Public Education Grant (PEG) Archive (/node/103736)

Accountability Ratings (<https://rptsrv1.tea.texas.gov/perfreport/account>)

Contact Information

Performance Reporting

Phone: (512) 463-9704

Fax: (512) 936-6431

performance.reporting@tea.texas.gov  (mailto:performance.reporting@tea.texas.gov)