



## EXECUTIVE ORDER NO. 742

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### EXPANDING SCHOOL CHOICE THROUGH THE FEDERAL EDUCATION FREEDOM TAX CREDIT PROGRAM

**WHEREAS** ensuring that all Alabama students have the opportunity to receive a quality education is a top priority of the Ivey Administration;

**WHEREAS** in recent years, Alabama has seen historic progress in the educational achievement of our students through record investments and bold new policy initiatives to strengthen our schools and expand educational choice;

**WHEREAS** Alabama has recognized the importance of empowering parents to direct their children's education through school choice initiatives such as the Creating Hope and Opportunity for Our Students' Education ("CHOOSE") Act and the Alabama Accountability Act;

**WHEREAS** the Alabama Accountability Act expanded educational opportunities through refundable tax credits for donations toward scholarships for qualifying students to attend public or private schools;

**WHEREAS** in 2024, I signed Alabama's universal school choice law, the CHOOSE Act, which provides refundable income tax credits for qualifying educational expenses, including tuition, textbooks, and after-school programs;

**WHEREAS** the One Big Beautiful Bill Act, signed into law on July 4, 2025, by President Donald J. Trump, further expanded school choice options by creating a federally-funded tax credit scholarship program for elementary and secondary education;

**WHEREAS** states must elect to participate in the federal scholarship tax credit program and make certain certifications on an annual basis to the United States Secretary of the Treasury; and

**WHEREAS** the Governor of Alabama may assign to state agencies powers and duties that are "not in conflict" with the Alabama Constitution or any "then existing statutes" when necessary to implement or participate in federal programs or otherwise promote the welfare of the people of Alabama, Ala. Code § 36-13-9;

**NOW, THEREFORE**, I, Kay Ivey, Governor of the State of Alabama, by virtue of the authority vested in me by the Constitution and laws of the State of Alabama, do hereby promulgate this executive order, effective immediately.

1. **State participation.** The State of Alabama voluntarily elects to participate in the federal scholarship tax credit program provided for in the One Big Beautiful Bill Act.
2. **Administering agency.** The Alabama Department of Revenue is designated as the agency responsible for administering the federal scholarship tax credit program in the State and for making all required certifications.
3. **Implementation.** The order shall be implemented to the maximum extent possible consistent with applicable law and subject to the availability of appropriations. Nothing in this order shall be construed as impairing or otherwise affecting the authority granted by law to an executive branch agency, or the head thereof, including the Governor of the State of Alabama, except to the extent expressly set forth in this order.
4. **No private right of action.** This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any private party against the State of Alabama, its departments, agencies, or entities, its officers, employees, or agents, or any other person.
5. **Effect on prior related orders.** Any previously issued executive order is hereby rescinded to the extent it conflicts with this executive order.

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DONE AND ORDERED this 16th day of January 2026.



*Kay Ivey*  
KAY IVEY  
Governor

ATTESTED

*Wes Allen*

WES ALLEN  
*Secretary of State*