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# Four Things to Know:

**1. Senate Committee on Education K-16 Passes Teacher Pay Bill, Senate Bill 26**

On Tuesday, February 18, Sen. Creighton filed Senate Bill 26 (SB 26) relating to public education, including the rights and compensation of public school educators and funding for teacher compensation under the Foundation School Program.

This bill will provide about $4.3 billion in funding for several programs, such as teacher pay increases for eligible teachers and the expansion of the Teacher Incentive Allotment program.

The major provisions of the bill include:

**Teacher retention allotment provides a pay increase to teachers based on school district size and years of experience**

- School districts with 5,000 students or less
    - At least three but less than five years of experience: $5,000
    - Five or more years of experience: $10,000
- School districts with more than 5,000 students
    - At least three but less than five years of experience: $2,500
    - Five or more years of experience: $5,500
- This allotment is not a one-time bonus; the funding will continue in subsequent school years. The bill also repeals the requirement that 30% of any basic allotment increase be used to compensate full-time employees, excluding administrators, which was passed in House Bill 3 (2019). SB 26 does not increase the basic allotment.

**Expands Teacher Incentive Allotment program**

- Increases the dollar amounts for each designation
- Creates a new lower designation of “acknowledged” to the existing designations of “recognized,” “exemplary,” and “master”

**Creates a new local optional teacher designation system administered by the TEA.** Additional Texas Education Agency (TEA) grants would be provided to public schools that:

- Implement compensation plans for all instructional staff based on performance,

- Use a salary schedule that differentiates based on appraisals,
- Implement plans placing highly qualified teachers at high-needs campuses, and
- Follow TEA guidelines not allowing for across-the-board salary increases for instructional staff except to adjust for significant inflation

**Provides free pre-kindergarten for children of public school teachers**

**Allows the TEA to contract with third parties for a program to provide liability insurance to teachers and assistance in understanding teacher's rights, duties, and benefits**

On Thursday, February 20, the Senate Education Committee heard testimony and voted SB 26 unanimously to the full senate.

**2. Rep. Buckley Files School Funding and Education Savings Account Legislation**

House Bill 2 by Rep. Buckley, relating to public education and public school finance, was filed on Thursday, February 20. This 148-page bill focuses on teacher incentive pay, teacher preparation and certification, special education funding and monitoring, and numerous other programs and funding allotments.

- HB 2 increases the basic allotment by $220 from $6,160 to $6,380,
- Provides increases to the small and mid-sized district allotment and moves to special education intensity of service funding weights,
- Expands the current Teacher Incentive Allotment program and creates a local optional teacher designation system grant,
- Creates incentives for districts to provide additional days in the school year and establishes a fine arts allotment, and
- Requires ISDs to hire certified teachers for courses in the foundation curriculum beginning in the 2026-27 school year, with a one-year exemption for 2026-27 for courses other than reading and math above the 5th grade.

This is a sweeping public educational bill with numerous programs and policies that will need to be analyzed in the coming days.

House Bill 3 by Rep. Buckley, related to the establishment of an education savings account (ESA) program, was also filed on Thursday, February 20. This is a universal ESA program open to public school students, homeschooled students, and private school students.

- The amount awarded to each ESA is based on 85% of the estimated average funding per student in average daily attendance.
- Special education students would receive an amount based off of the individualized education program not to exceed $30,000.

- Homeschool students would receive $2,000.
- There is also a requirement for each participating student to take a nationally-normed-referenced test or the STAAR.

There is a lottery if the applicants exceed the state appropriations amount based on different tiers of special education needs and household income levels. The annual appropriations amount in the bill may not exceed the greater of the amount from the previous biennium or the amount needed for each participating child in the previous biennium and each child on the waiting list to be enrolled in an ESA. The current amount set in House Bill 1 for an ESA program is $1 billion for the 2027 fiscal year.

Rep. Buckley commented that while HB 2 and HB 3 are separate bills, they will be moving forward together as the House education package.

Three other priority bills for the House were filed on Thursday:

- HB 4 by Rep. Buckley relating to the assessment of public school students, public school accountability and actions, and proceedings challenging the operations of the public school system.
- HB 6 by Rep. Leach relating to discipline in public schools.
- HB 100 by Rep. Leo Wilson relating to the purchase, adoption, and use of instructional materials by public schools.
- HB 123 by Rep. Dutton measures to support kindergarten readiness and early literacy and numeracy skills.

The House Committee on Public Education has also posted a hearing for Tuesday, February 25, to hear updates from the TEA.

**3. House Appropriations Committee Discusses Public Education Funding**

Commissioner Morath was in front of the House Appropriations Committee on Wednesday, February 19. Similar to his presentation last week to the Senate Finance Committee, Commissioner Morath detailed and fielded questions on numerous issues, including school funding, recapture assessment and accountability, vouchers, and school safety.

House Bill 1 by Rep. Bonnen, Chair of the House Appropriations Committee, is the initial proposal for the House related to the state budget for the next two years. The House budget recommendation provides $4.85 billion ($2.425 billion per year) in new funding for the Foundation School Program, $1 billion for an education savings account program, $400 million for school safety improvements, and $450 million for the Teacher Retirement System (TRS) to minimize premium increases.

In addition, the House recommends an additional $3.5 billion for other forms of property tax relief contingent on the passage of legislation.

Chairman Bonnen also named the members of the Article III subcommittee. These members will be tasked with bringing back recommendations to the full House Appropriations Committee on the TEA, TRS, and higher education budget items.

- Rep. Stan Kitzman, Chair
- Rep. Armando Martinez, Vice Chair
- Rep. Vikki Goodwin
- Rep. Carl Tepper
- Rep. Janie Lopez
- Rep. Caroline Fairly
- Rep. Lauren A. Simmons

**4. Texas Education Agency 2028 A-F Refresh Feedback**

The Texas Education Agency is gathering public suggestions for improvements to the A-F accountability system for consideration of inclusion in the 2028 A-F accountability system refresh.

Suggestions can be submitted using the following link.

Raise Your Hand Texas' 89th Legislative Session policy priorities for assessment and accountability include the following:

- Expand the scope of Texas' A-F accountability ratings system to include factors beyond STAAR test scores
- Limit STAAR test scores to 50% of any domain or the overall score for districts and schools in the state's accountability ratings system
- Remove all high-stakes testing consequences for high school students