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Key Education Bills Advance in Texas House

(Information courtesy of our friends at TASBO)

Coaches,

We want to inform you with accurate and timely updates on legislation impacting Texas public schools. In a floor session that stretched well past midnight, the Texas House approved two major education bills: **House Bill 2 (school funding and finance formulas)** and **Senate Bill 2 (Education Savings Accounts/ESAs).**

House Bill 2 – Public School Funding

HB 2 passed overwhelmingly. Chairman **Brad Buckley** introduced a significant floor amendment addressing concerns many districts raised. The amendment includes:

- **Preserves Existing Hold Harmless Provisions** – Eliminates proposed changes to M&O hold harmless provisions so current law remains in effect.
- **Boosts Declining ADA Funding** – Raises the appropriation for declining enrollment from $60M to **$300M per year**.
- **Changes to Bilingual & Comp Ed Funding Delayed** – These changes will take effect in the second year of the biennium; bilingual funds may now also be used for teacher salaries.
- **Broader Compensation Rules** – 75% of 40% of the ADA revenue gain must go to teachers, counselors, nurses, and librarians (not just teachers), with a max individual raise cap of $15,000. School safety and insurance increases are excluded from the calculation.

- **Charter Facility Funding Capped** – $100M in FY 2026 and $160M in FY 2027, with revised performance requirements.

Senate Bill 2 – Education Savings Accounts (ESAs)

SB 2 passed the House with a narrower vote, largely along party lines. Only two Republicans—**Reps. Phelan and Van Deaver**—voted against it. A key amendment by Chairman Buckley included:

- **2-Year Requirement for ESA-Eligible Schools**
- **ESA Cap for Higher-Income Families** – Only 20% of ESAs may go to families above the income threshold (~$156,000 for a family of 4) or without children with disabilities.
- **Mandatory Annual State Audits**

The attempt to call for a s**tatewide ESA ballot proposal was defeated.**

Some lawmakers who previously opposed vouchers supported this version. For example, **Rep. Drew Darby** offered a detailed explanation of his vote in favor.

What's Next?

- **SB 2** has passed both chambers. The Senate can now accept the House changes and send it to the Governor or request a conference committee.
- **HB 2** faces a more uncertain path in the Senate, which has favored targeting funds toward a few specific priorities—especially teacher pay.

We'll continue tracking these developments and sharing clear, accurate updates as things unfold. Visit our the **Legislative Page** on our website for additional information regarding bills that we will continue to track.

Thanks to TASBO for their great summary and to all of you for staying informed and engaged. We're committed to making sure Texas coaches have the facts they need.