TEXAS ASSOCIATION OF RURAL SCHOOLS (TARS)
90th LEGISLATIVE SESSION PRIORITIES —

The Texas Association of Rural Schools (TARS) represents small, rural and mid-sized public school districts across Texas, with enrollments ranging from 20 to 5,000+ students. Building on the public school funding support secured in the 89th Legislature, TARS's 90th Session legislation platform recommends closing the funding gaps that most directly affect small, rural, and midsize districts. Each priority below defines the issue and recommends a solution, addressing fixed operating cost, the diseconomy of scale, the true cost of school safety compliance, small-district input as special education funding weights, and the barriers small campuses face in sustaining CTE programs.

CRITICAL LEGISLATIVE ISSUE #1: Allotment for Basic Costs (ABC)

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ISSUE

The ABC (HB 2, 89th Session) funds seven fixed operating costs — transportation, retired-teacher hiring, health insurance, payroll taxes, TRS contributions, utilities, and casualty insurance — but the $106-per-student allotment falls far short of actual cost, near $600/student per interim testimony. We recognize the Legislature never represented that the ABC would cover these expenses in full. We offer these figures to provide context as lawmakers weigh whether an increase to the allotment is warranted.

SOLUTION

TARS recommends increase the per-student allotment — to approximately $250 per student — and then future indexing it to real cost growth in utilities, insurance, transportation, and retirement/payroll. To account for economies of scale, TARS also recommends a minimum floor of $250,000 for districts with fewer than 1,000 students, ensuring smaller districts aren't underfunded by a purely per-student formula. This is TARS's #1 ask for the 90th Session.

CRITICAL LEGISLATIVE ISSUE #2: Small & Mid-Sized District Allotment

ISSUE

The Small and Mid-Sized District Allotment (TEC §48.101) offsets the diseconomy of scale — the core issue at the heart of TARS's mission. The 89th Legislature raised the small-district multiplier (.0004→.00046) and mid-sized multiplier (.000025→.00003), but the gap persists: nearly a quarter of TARS respondents start teachers below $40,000 (vs. $60,000–$65,000+ in larger districts), and 55%/42% cite CTE staffing/funding barriers.

SOLUTION

TARS recommends the 90th Legislature continue increasing the TEC §48.101 multipliers beyond the 89th session's step:

- Small district multiplier: increase from .00046 to .0005
- Mid-sized district multiplier: increase from .00003 to .000035

This funding targets small and midsize issues. TARS asks that a portion target beginning-teacher pay and CTE support specifically — improving small-school funding with this allotment is the most direct mechanism for key programs to address deficiency for small schools to offer similar programs available to students in larger school districts.

ESTIMATED FISCAL IMPACT

Ballpark $150–$250M in additional state cost (the 89th's comparable step cost ~$300M); working estimate, not a certified fiscal note.

CRITICAL LEGISLATIVE ISSUE #3: School Safety Funding

ISSUE

The school safety allotment has grown three sessions running to $20/student plus $33,540/campus in 2025 (HB 2) — but still underfunds small, multi-campus districts. A ~1,000-student district with two campuses receives ~$87,000, against a real cost of $120,000–$140,000 to staff two mandated campus officers, since the officer requirement is fixed per campus while funding splits between per-student and per-campus rates.

SOLUTION

TARS recommends (1) a guaranteed floor of $150,000–$200,000 for districts under 1,600 students whose formula falls below that range, and (2) restructuring the per-campus component to reflect real officer costs — a targeted fix, not a system-wide rate increase.

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CRITICAL LEGISLATIVE ISSUE #4: Special Education — Intensity Model Implementation

ISSUE

The 89th Legislature adopted an eight-tier service-intensity funding model (~$850M new funding, $250M transition supplement), but 2027-28 tier weights are still being calculated from data TEA collects through 2026. Small districts face the same October 2026 IEP-mapping deadline as large districts with a fraction of the staff.

SOLUTION

TARS recommends the 90th Legislature:

- Give small-district input as tier weights and service group amounts are finalized.
- Fund ESC-based technical assistance for the new data mapping and reporting requirements.
- Extend the 2026-27 hold-harmless protection until new weights are tested statewide.

CRITICAL LEGISLATIVE ISSUE #5: TRS Retire/Rehire Flexibility

ISSUE

Small districts routinely lose hard-to-fill teachers (physics, upper-level math and Spanish) to Texas's retiree rehire rules: a retiree can return half-time after one month but must wait 12 months for full-time without losing their TRS annuity — unworkable for a district with one physics section and no bench of applicants. Hiring back more than half-time also triggers a surcharge (~15.75–16.5% pension contribution plus $535/month TRS-Care). HB 2 (89th) let districts pass the surcharge to retirees, but a targeted fix (HB 1166) died without a hearing.

SOLUTION

TARS recommends reviving HB 1166's approach: a hardship-based exception to the surcharge and/or the 12-month break-in-service rule for documented hard-to-fill positions. Low- or no-cost to general revenue since TRS deductions continue.

CRITICAL LEGISLATIVE ISSUE #6: CTE / Trade School Model for Small Districts

ISSUE

CCMR accountability rewards CTE participation and industry-based certifications (IBCs), but small districts lack the staff and equipment to compete — 55%/42% of TARS respondents cite CTE staffing/funding barriers. When TEA revises the approved IBC list (most recently 2025-30), a campus with one or two CTE staff has far less capacity to retool and offer programs than a district with a dedicated CTE director and a staff of more than 5 CTE teachers. The stakes are statewide: the Tri-Agency Workforce Initiative's Building a Talent Strong Texas plan targets 60% of Texans 25-64 holding a credential by 2030. R-PEP (HB 2209, 88th Session) shows the model works — the Rural Schools Innovation Zone raised industry-certification completion 45.5 points (2019–2022) — but small districts still navigate partnerships and TEA/TWC compliance largely alone.

SOLUTION

TARS recommends the 90th Legislature:

- Fund ESC-based CTE/CCMR technical assistance, reviving SB 2931 (89th, not enacted — technical assistant superintendents for districts under 3,000 students) with CTE/IBC/CCMR duties added. (this was suggested by the commissioner)
- Direct TWC resources (Skills Development Fund, Tri-Agency 2030 goal) toward equipment, instructor certification, and testing costs for small-district CTE/IBC programs.
- Expand and fully fund R-PEP for more shared CTE academies modeled on RSIZ, including transportation support between partner campuses.
- Build in hold-harmless protection whenever TEA revises the approved IBC list.

ADDITIONAL PRIORITIES

- Holocaust Education (THGAAC Mobile Labs) — TARS asks the 90th Legislature to support and fund the Texas Holocaust Geocide Antisemitism Advisory Committee Mobile Labs Initiative to help small and rural districts meet SB 1828 Holocaust Remembrance instruction requirements, where a significant barrier is access to vetted materials and training, so small districts do not have to build their holocaust curriculum from scratch.

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