

January 18, 2019

Issue  
One

- News
- Bill filing/progression
- Committee hearings
- Resources
- Final thoughts



Provided to TACS members by Marsha Farney, PhD, Governmental Relations

# Legislative Updates

## News:

### Texas House elects Rep Dennis Bonnen as Speaker

Speaker Dennis Bonnen was unanimously elected by his peers to serve as the new speaker of the House for the 86<sup>th</sup> Legislative Session. Speaker Bonnen is on record stating school finance reform will be a priority for this session and that members will get daily reminders of this important issue. His first reminder was to deliver Styrofoam cups to the members lounge on opening day with the wording “School Finance Reform – The Time is Now.” A hopeful beginning that we will continue to monitor throughout the session.



## Buckle your seatbelts! The 86<sup>th</sup> Legislative Session has arrived!

January 8 through May 27 is the allotted time for the 86<sup>th</sup> regular session when Legislators will discuss, debate, and evaluate the best way to reform the Texas public education finance system. Legislators are responding to the resounding message from voters last November that public education needs additional support.

More than ever, TACS members need to be fully engaged with the legislative process this session with school finance reform being the focal point of attention of Governor Abbott, Lt. Governor Patrick, and Speaker Bonnen. We need to pay close attention to how each of these political leaders define, reform, and evaluate how their solutions will impact small and mid-size districts across the state.

Many Legislators agree there is a need for additional education funding to adequately meet the needs of over 5.3 million students. However, others propose simply repurposing existing funds with no new funding included. The fight over what effective school finance reform will look like has begun!

During this historic session I will be at the Capitol monitoring committee hearings and keep TACS members informed with weekly *Legislative Updates*. I hope to see you there!

# Great News on Education Funding From the House Proposed Budget

The Texas House has a strong reputation of taking their constitutional duty seriously to fund the constitutionally mandated public schools of Texas. This week the House revealed its proposed budget including an All Funds \$9 billion increase for public education over the biennium. Here is the exact wording:

- **FSP funding** for the 2020–21 biennium includes \$42.0 billion in General Revenue Funds and \$52.6 billion in All Funds. This amount represents an increase of \$7.4 billion, or 21.2 percent, in General Revenue Funds, and an increase of \$9.9 billion, or 23.1 percent, in All Funds compared to the 2018–19 biennium.

- A word of caution as you begin to wade through the lengthy document: If you read carefully, you will see that the \$9 billion allocation is **contingent upon the successful passage of additional legislation including property tax relief and charter schools.** Here is the wording:

- **General Revenue Funds** for the FSP provide an increase of \$9.0 billion greater than what is estimated to be required to fund the current law FSP entitlement, **contingent on enactment of legislation supporting school districts and charter schools by increasing the state share of the FSP, enhancing district entitlement, decreasing recapture, and providing local property tax relief, while maintaining an equitable system of school finance**

As of now, we do not know which bills supporting school districts, charter schools, and property tax relief need passage to secure the additional \$9 million. I will let you know when we know more of the details.

For your convenience, I've cut and pasted Education Highlights and Teacher Retirement Highlights from the budget summary on the following pages and included a link to the House budget document for your review.

[http://www.lbb.state.tx.us/Session\\_House.aspx](http://www.lbb.state.tx.us/Session_House.aspx)

## PUBLIC EDUCATION

### HIGHLIGHTS

- **FSP funding** for the 2020–21 biennium includes \$42.0 billion in General Revenue Funds and \$52.6 billion in All Funds. This amount represents an increase of \$7.4 billion, or 21.2 percent, in General Revenue Funds, and an increase of \$9.9 billion, or 23.1 percent, in All Funds compared to the 2018–19 biennium.
- **General Revenue Funds** for the FSP provide an increase of \$9.0 billion greater than what is estimated to be required to fund the current law FSP entitlement, **contingent on enactment of legislation supporting school districts and charter schools by increasing the state share of the FSP, enhancing district entitlement, decreasing recapture, and providing local property tax relief, while maintaining an equitable system of school finance.**
- Excluding the additional \$9.0 billion in new funding, the appropriation required to fully **fund current law FSP entitlement** represents a net increase in All Funds of \$0.9 billion, attributable to a projected increase of \$2.4 billion in recapture revenue and a projected \$171.7 million increase from the Property Tax Relief Fund, partially offset by a decrease of \$1.6 billion in General Revenue Funds.
- Funding for **non-FSP programs** increase All Funds by \$122.2 million and General Revenue Funds by \$79.7 million to establish several new programs and provide increases to existing programs, including the following amounts: ° \$54.5 million in All Funds for TEA’s new Safe and Healthy Schools Initiative, including \$42.5 million in Other Funds from the Economic Stabilization Fund and \$12.0 million in General Revenue Funds; ° \$50.5 million in General Revenue Funds for the new Special Education Supports Initiative to provide grants for compensatory services to students in accordance with the federal Individuals with Disabilities Education Act (IDEA); and ° General Revenue Funds increases of \$10.0 million for Communities in Schools, \$5.5 million for Adult Charter School, and \$1.7 million for the Texas Advanced Placement Initiative.
- **Instructional materials and technology funding** is \$1,106.0 million in General Revenue Funds and is based on a distribution rate of 50.0 percent of the Permanent School Fund to the Available School Fund. This funding level is a \$2.6 million increase from 2018–19 biennial appropriations, but a \$166.7 million decrease from 2018–19 biennial budgeted amounts, attributable to \$169.6 million in unexpended balances from fiscal year 2017 carried into the 2018–19 biennium.
- Excluding instructional materials and non-FSP programs, **other non-FSP program and administration funding** for the 2020–21 biennium includes \$742.5 million in General Revenue Funds appropriations, representing an \$8.7 million decrease related to the expiration of onetime funding and other adjustments.
- The agency’s **full-time-equivalent (FTE) position cap** is increased by 54.0 from 885.0 to 933.0 to implement the agency’s Special Education Strategic Plan. The additional FTE positions will be paid for completely with federal IDEA funds.

## TEACHER RETIREMENT

### HIGHLIGHTS

- Funding includes \$4.9 billion in General Revenue Funds and \$48.8 million in General Revenue–Dedicated Funds. Funding represents a state contribution rate of 6.8 percent of active member payroll for retirement benefits. Funding for public education retirement benefits totals an estimated \$3.7 billion in General Revenue Funds for the 2020–21 biennium, a 5.7 percent increase from the 2018–19 biennial base. The increase is attributable to the growth of public education payroll, projected to be an average of 3.9 percent each year of the 2020–21 biennium across public education retirement and TRS-Care strategies. Funding for higher education retirement benefits totals an estimated \$368.5 million in All Funds for the 2020–21 biennium, an 11.8 percent decrease from the 2018–19 biennial base due to lower-than expected growth of higher education retirement contributions covered by General Revenue Funds.
- Funding for TRS-Care for the 2020–21 biennium totals \$1.1 billion in All Funds, a decrease of \$99.5 million, or 8.2 percent, from the 2018–19 biennial base. Funding includes an estimated \$879.4 million in General Revenue Funds to provide statutorily required contributions to TRS-Care equal to 1.25 percent of payroll and \$230.8 million in Other Funds from the Economic Stabilization Fund greater than amounts estimated to be statutorily required to maintain plan year 2019 TRS-Care premiums and benefit levels for the 2020–21 biennium. The biennial funding decrease is due to onetime additional TRS-Care funding of \$394.6 million in General Revenue Funds in the 2018–19 biennial base, partially off-set by \$64.4 million in General Revenue Funds of projected public education payroll growth and the additional \$230.8 million from the Economic Stabilization Fund.
- Funding for administrative operations, which are supported by the TRS Pension Trust Fund (Other Funds), totals \$243.0 million, a 4.9 percent increase from the 2018–19 biennial base. The increase for administrative operations represents the full biennial costs of 94.0 additional full-time-equivalent positions authorized by the TRS Board during the 2018–19 biennium for benefits services, investment management, and administrative support functions.

**Now is the time to speak with your Legislator about Education Reform!  
Every Voice Matters!**

**Gov Abbott: (800) 843-5789 & (512) 463-1782**

**Lt. Gov Patrick: (512) 463-0001**

**Speaker Bonnen: (512) 463-1000**

## SB 3

Many were surprised to see the filing of SB3, which proposed a \$5,000 classroom teacher pay raise, just prior to the inauguration ceremony and to hear Lt. Gov Patrick reference this bill in his inaugural speech. Most certainly agree teachers need and deserve a raise, but teachers also want education reform. It appears, if this bill passes as written, the \$3.7 billion cost for teacher raises will gut the House proposed budget for adding additional funds for broad education reform. Amendments will surely be added to SB3 and similar teacher pay raise legislation will likely be filed. We will watch throughout the session to monitor which bills and which amendments survive the debate.

Last session, teachers rejected the offer of a \$1,000 raise by the Senate that required districts to reallocate existing funds to pay for the raise and instead fought for education finance reform. Now, they will have to decide if they want a \$5,000 raise at the cost of raiding funds allocated in the House proposed budget for broad education reform that includes the injection of new funds.

Educator voters, who spoke so clearly last election about the need for education reform, have been critical of the Senate for their support of school choice voucher programs and a lack of increased funding for public education. SB3, however, creates an untenable circumstance for teachers and Legislators by forcing them to choose between supporting teacher pay raises **or** broad education reform with the addition of new funding. We can't afford both. It's going to be a tough session. Other bills/amendments may mitigate the circumstances and offer a compromise. Either way, the fight for education reform has begun and teachers are now sitting uncomfortably in the middle.

**I cut and pasted key parts of SB3 on the next page for your review.**

### **A few things to note about SB3:**

- **Raise is for full-time teachers, not librarians, counselors, nurses, etc.**
- **The raise is separate from the monthly salary allotment**
- **Merit pay is allowed and separate from raise**
- **Requires districts to provide in writing that the raise was from the State**
- **It expires September 1, 2020**
- **No funding for TRS contribution costs for districts**

**SB 3** Author: Nelson

Last Action: 01/15/2019 S Filed

Caption: Relating to additional funding to school districts for classroom teacher salaries.

**Key sections of SB3 are shown below:**

Sec. 21.4023. CLASSROOM TEACHER SALARY ALLOTMENT. (a) Every full-time classroom teacher is entitled to an annual salary allotment in the amount of \$5,000.

(b) A salary allotment a teacher receives under this section is not considered in determining whether the district is paying the teacher the minimum monthly salary under Section 21.402.

(b-1) Notwithstanding Section 21.402, for the 2019-2020 school year, every full-time classroom teacher is entitled to a monthly salary that is at least equal to the sum of:

(1) the monthly salary the teacher would have received for the 2019-2020 school year under the district's salary schedule for the 2018-2019 school year, if that schedule had been in effect for the 2019-2020 school year, including any local supplement and any money representing any other supplement the teacher would have received in the 2019-2020 school year; and

(2) \$500.

(b-2) Subsection (b-1) and **this subsection expire September 1, 2020.**

(c) A school district may provide a merit salary increase to a full-time classroom teacher in addition to the salary allotment to which the teacher is entitled under this section.

(d) A school district shall provide written notice to each full-time classroom teacher that the salary allotment to which the teacher is entitled under this section is provided by the state.

## **Senate Bill Filings: (House Bills next week)**

- [SB 3](#) Author: Nelson  
Last Action: 01/15/2019 S Filed  
Caption: Relating to additional funding to school districts for classroom teacher salaries.
- [SB 92](#) Author: Menéndez  
Last Action: 11/12/2018 S Filed  
Caption: Relating to a supplemental payment for retirees of the Teacher Retirement System of Texas and the unfunded actuarial liabilities allowed under that system.
- [SB 93](#) Author: Menéndez  
Last Action: 11/12/2018 S Filed  
Caption: Relating to a cost-of-living adjustment applicable to certain benefits paid by the Teacher Retirement System of Texas.
- [SB 94](#) Author: Menéndez  
Last Action: 11/12/2018 S Filed  
Caption: Relating to the state contribution to the Teacher Retirement System of Texas.
- [SB 95](#) Author: Menéndez  
Last Action: 11/12/2018 S Filed  
Caption: Relating to the salary paid to classroom teachers employed by public schools.
- [SB 96](#) Author: Menéndez  
Last Action: 11/12/2018 S Filed  
Caption: Relating to limiting certain state-required assessment instruments administered to public school students in certain grades to assessments required by federal law.
- [SB 96](#) Author: Menéndez  
Last Action: 11/12/2018 S Filed  
Caption: Relating to limiting certain state-required assessment instruments administered to public school students in certain grades to assessments required by federal law.
- [SB 136](#) Author: Rodríguez  
Last Action: 11/12/2018 S Filed  
Caption: Relating to the public school finance system.

- [SB 242](#) Author: Zaffirini  
Last Action: 12/13/2018 S Filed  
Caption: Relating to the removal of an obsolete reference regarding open-enrollment charter schools and the State Board of Education.
- [SB 243](#) Author: Creighton  
Last Action: 12/14/2018 S Filed  
Caption: Relating to the carrying or storage of a handgun by a school marshal.
- [SB 244](#) Author: Creighton  
Last Action: 12/14/2018 S Filed  
Caption: Relating to the number of school marshals that may be appointed to serve on a public school campus or at a private school.
- [SB 248](#) Author: Seliger  
Last Action: 12/17/2018 S Filed  
Caption: Relating to investment training requirements for school district and municipal financial officers.
- [SB 249](#) Author: Kolkhorst  
Last Action: 12/17/2018 S Filed  
Caption: Relating to the automatic admission to general academic teaching institutions and eligibility for certain scholarships of a student who is the valedictorian of the student's high school graduating class
- [SB 251](#) Author: Bettencourt  
Last Action: 12/18/2018 S Filed  
Caption: Relating to courses offered jointly by public junior colleges and independent school districts.
- [SB 252](#) Author: Fallon  
Last Action: 12/19/2018 S Filed  
Caption: Relating to a cost-of-living adjustment applicable to certain benefits paid by the Teacher Retirement System of Texas.
- [SB 279](#) Author: Zaffirini  
Last Action: 12/21/2018 S Filed  
Caption: Relating to completion and submission of a financial aid application for costs of higher education as a condition of high school graduation for public school students.
- [SB 280](#) Author: Bettencourt  
Last Action: 12/27/2018 S Filed  
Caption: Relating to powers and duties of the board of trustees of an independent school district.
- [SB 287](#) Author: Miles  
Last Action: 01/03/2019 S Filed  
Caption: Relating to the availability of free prekindergarten programs in public schools.
- [SB 292](#) Author: Lucio  
Last Action: 01/03/2019 S Filed  
Caption: Relating to expansion of a pilot program under the foundation school program for funding prekindergarten programs provided by certain school districts with early high school graduation programs.
- [SB 293](#) Author: Lucio  
Last Action: 01/03/2019 S Filed  
Caption: Relating to improving training and staff development for primary and secondary educators to enable them to more effectively serve all students.



- [SB 299](#) Author: Miles  
Last Action: 01/04/2019 S Filed  
Caption: Relating to a notification requirement if a public school, including an open-enrollment charter school, does not have a nurse, school counselor, or librarian assigned to the school during all instructional hours.
- [SB 301](#) Author: Miles  
Last Action: 01/04/2019 S Filed  
Caption: Relating to limits on the size of prekindergarten classes in public schools.
- [SB 304](#) Author: Miles  
Last Action: 01/04/2019 S Filed  
Caption: Relating to reporting and disseminating information regarding public school disciplinary actions.
- [SB 316](#) Author: Hughes  
Last Action: 01/07/2019 S Filed  
Caption: Relating to the attorney general's duty to defend public school teachers.
- [SB 326](#) Author: Alvarado  
Last Action: 01/10/2019 S Filed  
Caption: Relating to the salary paid to certain professional employees of public schools.
- [SB 328](#) Author: Seliger  
Last Action: 01/10/2019 S Filed  
Caption: Relating to the information required to be included in or with a school district ad valorem tax bill.
- [SB 343](#) Author: Watson  
Last Action: 01/11/2019 S Filed  
Caption: Relating to the information required to be included in or with a school district ad valorem tax bill
- [SB 351](#) Author: Powell  
Last Action: 01/14/2019 S Filed  
Caption: Relating to indicators of achievement under the public school accountability system.
- [SJR 1](#) Author: Nelson  
Last Action: 11/12/2018 S Filed  
Caption: Proposing a constitutional amendment to authorize the legislature to provide for a transfer of economic stabilization fund investment earnings to a special endowment fund in the state treasury.
- [SJR 4](#) Author: Menéndez  
Last Action: 11/12/2018 S Filed  
Caption: Proposing a constitutional amendment to increase the minimum amount that the state may contribute to the Employees Retirement System of Texas and the Teacher Retirement System of Texas.

**SB1, the proposed Senate budget, was filed mid-week. The next newsletter will show highlights from the Senate proposed budget.**

## Informative Twitter Accounts to Follow:

<b>TACS:</b>	<b>@TACSnet</b>
<b>Marsha Farney</b>	<b>@DrMarshaFarney</b>
<b>Rep Dan Huberty</b>	<b>@DanHuberty</b>
<b>Rep Diego Bernal</b>	<b>@DiegoBernalTX</b>
<b>Rep Gary Van Deaver</b>	<b>@GaryVanDeaver</b>
<b>Sen Larry Taylor</b>	<b>@SenLarryTaylor</b>
<b>TxLegeBillsBot</b>	<b>@TXLegeBills</b>
<b>Speaker Bonnen</b>	<b>@RepDennisBonnen</b>
<b>Lt Gov Patrick</b>	<b>@DanPatrick</b>
<b>Gov Abbott</b>	<b>@GovAbbott</b>
<b>Legislative Library</b>	<b>@TexasLRL</b>

The Texas Association of Community Schools is proud to represent over 700 school districts, each with an average daily attendance of 12,000 or fewer. Our students are our future – that’s why we believe in providing the absolute best support, resources, and education for the 5 million Texans enrolled in our public schools.

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## Helpful Links:

**Legislative Calendars:**  
<https://capitol.texas.gov/Calendars/CalendarsHouse.aspx>

**Legislative Meetings:**  
<https://capitol.texas.gov/Committees/MeetingsByDate.aspx>

**House Video Broadcasts:**  
<https://house.texas.gov/video-audio/>

**Senate Video Broadcasts:**  
<https://senate.texas.gov/av-live.php>

**Legislative bill lists/alerts:**  
<https://capitol.texas.gov/MnuMyTLO.aspx>

**Legislative bill lookup:**  
<https://capitol.texas.gov/MnuLegislation.aspx>

**House Committee members:**  
<https://capitol.texas.gov/Committees/CommitteesMbrs.aspx?Chamber=H>

**Senate Committee members:**  
<https://capitol.texas.gov/Committees/CommitteesMbrs.aspx?Chamber=S>

**Texas Legislature Online Mobile Device Support:**  
<https://capitol.texas.gov/MyTLO/PDA/MobilePDA.aspx>

**Legislative Budget Board:**  
<http://www.lbb.state.tx.us/>

**TACS:**  
[https://www.tacsnet.org/18641\\_1](https://www.tacsnet.org/18641_1)

**Who Represents Me**  
<https://fyi.capitol.texas.gov/Home.aspx>

# finalthoughts...

## Public Education is not a Republican or Democrat Issue. It is a Constitutional Mandate.

It is unfortunate that public education has become a political football and mired in partisan politics. Critics refer to public schools as “government schools” while supporters enthusiastically share their success stories and proudly embrace public school as the heart of their community. Perhaps it is time to step back and look at what public education is supposed to be and why it was established. To do that, we need to look at the Constitution itself.

### THE TEXAS CONSTITUTION ARTICLE 7. EDUCATION

Sec. 1. SUPPORT AND MAINTENANCE OF SYSTEM OF PUBLIC FREE SCHOOLS. A general diffusion of knowledge being essential to the preservation of the liberties and rights of the people, it shall be the duty of the Legislature of the State to establish and make suitable provision for the support and maintenance of an efficient system of public free schools.

We should never forget that the foundation of the Texas public school system is rooted and grounded in the Texas Constitution. I remind people who attempt to disparage public schools by referring to them as “government schools” that they are actually the “constitution schools.” That’s why I routinely refer to the public schools of Texas as “constitutionally mandated public free schools.” The purpose of creating a system of public free schools was to educate the masses so they could protect and preserve their rights and liberties. That is the noble purpose of creating public education. The Constitution specifically mentions the public free schools should provide a general diffusion of knowledge. Texas public schools greatly exceed this mandate to keep up with what is necessary to have an educated and informed public in today’s world. The Constitution further states that it is the “duty of the Legislature” to establish and make suitable provision for the support and maintenance of an efficient system of public free schools. It is the constitutional “duty of the Legislature” to fund public education. Funding public education is front and center this session and I hope each of you are prepared to speak with your Legislators and encourage them to fulfill their constitutional duty to fully fund the constitutionally mandated public free schools. Over 5.3 million children are depending on it!

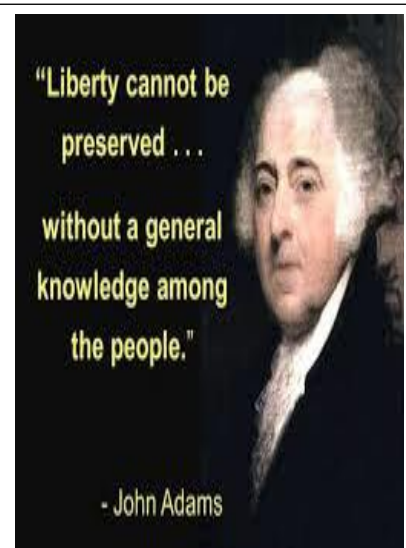


### Quotes to Note:



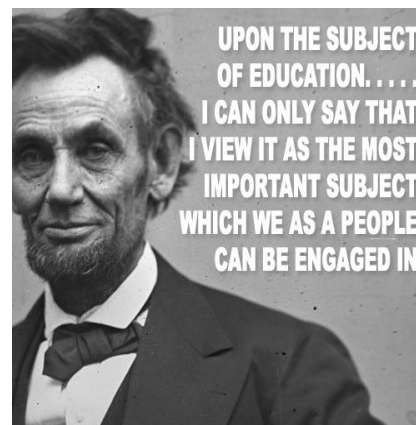
“Educate and inform the whole mass of the people...

They are the only sure reliance for the preservation of our liberty.”



“Liberty cannot be preserved . . . without a general knowledge among the people.”

- John Adams



UPON THE SUBJECT OF EDUCATION. . . . I CAN ONLY SAY THAT I VIEW IT AS THE MOST IMPORTANT SUBJECT WHICH WE AS A PEOPLE CAN BE ENGAGED IN.