



Where Are We Now?

86th Legislature Bill
Update

Key Dates in the 86th Legislative Session

**January
8th
(1st Day)**
Beginning of
Session

**March 8th
(60th Day)**
Bill Filing
Deadline



**May 6th
(119th Day)**
Last Day for
House to report
house bills

**May 27th
(140th Day)**
Sine Die



Budget Bills

HB 1-Key Facts

- Passed the House on March 27
- Foundation School Program Funding: \$25.8 B (FY 2020) and \$26.2 B (FY 2021)
- Recapture: \$3.2 B (FY 2020) and \$3.8 B (FY 2021)
- Several Riders Pertinent to Schools

HB 1-Rider 74 Texas Safe and Healthy Schools Initiative

-\$54.5 M in Total

- \$10 M in 2020 for Mental Health First Aid, Telemedicine, trauma-informed care, and coordination of access to mental health providers
- \$750,000 for the biennium for mental health supports and positive school culture
- \$478,500 for FY 2020 for information technology needs
- \$20 M for grants for mental health and positive school culture programs

HB 1-Rider 74 Texas Safe and Healthy Schools Initiative

- \$5 M for pilot grants for innovative programs to increase school health and safety
- \$10 M in matching grants to school districts and charter for facilities hardening
- \$2.5 M for Texas School Safety Center to coordinate Emergency Response audits

HB 1- Rider 75 Special Education Supports

- \$50 M in General Revenue Funds in FY 2020 to reimburse school districts

- Services qualifying for reimbursement:

 - extended school year services for students receiving special education

 - costs relating to identification of students needing special education, including full individual and initial evaluations and independent educational evaluations

 - certain compensatory services costs related to the provision of services to students under the Individuals with Disabilities Education Act

HB 1-Rider 77 for HB 3

--The money is contingent on the passage of legislation that supports school districts and charter schools by “enhancing district entitlement, reducing recapture, and providing local property tax relief, while maintaining an equitable system of school finance.”

-Total Dollars: The **\$9.0 billion** in Foundation School Fund No. 193 appropriated in this rider represents new state funding for school districts and charter schools above amounts estimated to fully fund current law.

HB 1 Amendments

- \$100 M for Pre-K classrooms
- \$20 M for Supporting Secondary Exit-Level Assessment Options
- \$40 M for Educator Quality and Leadership
- \$43.75 M for Special Education Strategic Plan FTEs
- \$20 M for Bleeding Control Stations/Tourniquet Kits
- \$516 M Contingency for School Safety Allotment

SB 500-Supplemental Appropriation

-Passed by both Chambers; House Committee Substitute cost \$2.5 B in General Revenue, additional funding from ESF

-decrease in GR-R in 2019: Texas Education Agency - Foundation School Fund:
\$643,300,000

-increase in GR-R in 2020: Teacher Retirement System - State Contribution:
\$684,000,000

SB 500-Supplemental Appropriation cont'd.

-increase in ESF appropriation in 2019: \$905,500,000 in FSP Harvey Cost and \$10,930,000 Texas Education Agency - School District Post Disaster Recovery

-increase in ESF appropriation in 2020: Teacher Retirement System - Additional Pension Payment: \$658,210,000 and Texas Education Agency - FSP Harvey Costs: \$636,000,000



School Finance Bills

House Bill 3-The Texas Plan by Huberty

- Passed by the House 148:1.
- 9.5+ Billion Fiscal Note
- Basic Allotment set at \$6,030
- Eight Golden Pennies with yield set to 160% of the basic allotment
- Copper pennies with yield set to 80% of the basic allotment
- New Comp-Ed Calculations
- No CEI but the use of prior year values maintained

House Bill 3-The Texas Plan by Huberty

- Teacher Pay Amendment by Turner: Unclear how the calculation of 25% of the increase in the basic allotment will be done and what the impact will be for districts
- Prekindergarten for eligible 4-year olds is required
- Changes to and additional weights
- Rollback and Tax Compression Change
- Commissioner has the authority to remedy “unintended consequences” of the bill
-and many more

LBB and Moak Casey Print Outs

- All TSA districts received print outs on Monday evening.
- Formula Transition Grant (hold harmless)
 - Districts held harmless to the lesser of either 103% of 2019-20 funding with prior formulas or 128% of the state average of 2019-20 funding with prior formulas
 - Secondary backstop of 100% of district 2019-20 funding with prior formulas, excluding Chapter 41 hold harmless
- We also included two helpful guides: an explanation of the methodology of our model and an article that reviews the components of the bill more broadly

SB 3 Nelson's Teacher Pay Raise Bill

- State-funded \$5,000 annual salary allotment for every full-time classroom teacher and librarian
- Permanent salary floor based on a district's salary schedule in effect during the 2019-2020 school year.
- A teacher is entitled to at least their 2019-2020 salary as long as the teacher remains in the district.

SB 3 Nelson's Teacher Pay Raise Bill cont'd

- The bill would not impact the above the statutory minimum contribution, but it will increase district costs under the 1.5% contribution
- The bill also gives the commissioner broad rulemaking authority to implement the provisions of the bill.
- If passed, the bill will take effect September 1, 2019, and will apply beginning with the 2019-2020 school year.
- Cost: \$53 million

SB 4-Taylor's School Finance Shell Bill

- Taylor has declared HB 3 to be the vehicle.
- Change the equalized wealth levels, but leaves the amounts blank.
- It changes the basic allotment set in general law (\$4,765) to a blank.
- It changes the property values used for school funding calculations to current year values from the Comptroller.

SB 4-Taylor's School Finance Shell Bill

- It extends the career and technology allotment weight to 8th grade.
- The bill appears to shift transportation funding from multiple reimbursement rates to a single rate, and allows the transportation allotment to be a credit against recapture.
- The small and mid-size district adjustments are converted to separate allotments, and no longer modify the basic allotment.
- The CEI is repealed, along with the gifted and talented allotment, the high school allotment, and the staff allotment.

SB 4-Taylor's School Finance Shell Bill

- It creates a new third grade reading performance incentive, but sets the weight to a blank.
- New allotments are also created for fast growth districts and an incentive for college, career and military readiness, but both are left blank.
- Tier 2 yields are left blank, but the statutory reference to the yield for Austin ISD is removed from the description of the Tier 2 Level 1 component.
- The bill creates an educator effectiveness program, and districts can apply for funding in support of a merit pay system.
- Prekindergarten classes for four-year-olds must be provided on a full-day basis.



Property Tax Relief Bills

SB 2 by Bettencourt

- The bill reforms the local property appraisal and protest process, adds new transparency to the calculation of tax rate limits in local taxing jurisdictions, and imposes new election requirements for cities, counties, and other local taxing units.
- Taxing units other than school districts would become subject to automatic election requirements in the same way that school districts have been.
- All taxing units would compute a “no-new-revenue” tax rate, which is comparable to what is called the “effective” rate today – the rate that generates the same local tax revenue as the preceding year from properties that existed in both years.

SB 2 by Bettencourt

-For school districts, the “no-new-revenue” rate would be defined as the rate that generates the same state aid and local maintenance and operations tax revenue per weighted student as the previous year, which is essentially no change from the basis for calculating school district rollback rates today.

-All taxing units (except for “small taxing units”) would be allowed to adopt a tax rate no higher than the “no-new-revenue” rate multiplied by 1.025 without an election. Exceeding that rate would require voter approval in the same manner of school district TREs in today’s law.

SB 2 by Bettencourt

For school districts, the 2.5% increase limit would be accompanied by removal of the “\$1.04 ceiling” that requires a TRE in most district to exceed a \$1.04 M&O rate.

-However, all TRE elections would be required to be held on the November uniform date, and all TREs must be ordered by August 15.

-While it appears that school districts would still be allowed to adopt tax rates based on the early estimate of value, which under the bills would change from April 30 to May 15, there is no allowance for early TRE elections to be held.

SB 2 by Bettencourt

- Placed on the Senate Calendar for 4/3, but has yet to be taken up.
- Previous rumor was that it didn't have the votes to come to the floor. That may have changed considering it being placed back on the calendar.

HB 2 by Burrows

- Passed out of the House Ways and Means Committee last week.
- Expect it to be on the floor of the House soon.
- Maintains 2.5% cap on property tax revenue growth without voter approval.

SB 1309 and HB 4335

- Current law allows school districts to employ a person to assess or collect the school district's taxes and may compensate the person as the board of trustees considers appropriate.
- This bill would require the assessor and collector for the county in which the property subject to taxation by the school district is located to be responsible for tax assessment and collection



School Safety Bills

HB 17 by Bonnen

- Requires the commissioner to adopt or amend rules governing building standards for school facilities that pertain to school safety.
- Require districts to send emergency operations plans they are required to develop and implement to the Texas School Safety Center in conjunction with the governor's office of homeland security.
- The plans must include provisions that ensure that all district employees have access to an electronic communication device to make contact with emergency personnel in the event of an emergency. The plans must designate a point person that makes final decisions in an emergency.

HB 17 by Bonnen

- Outlines additional procedures schools must follow regarding notifying parents, providing substitute teachers access to restricted places and information, as well as steps that TEA can take in conjunction with the School Safety Center when a district is out of compliance with following the safety protocols implemented under this bill.
- A conservator may be appointed as well as a board of managers to step in and help the district develop emergency plans.
- Provides for regulations regarding notifying parents/guardians of students in the event of a bomb threat and requires the commissioner to adopt rules governing school emergency evacuations and mandatory school safety drills.

HB 18 by Price

- Makes new requirements for schools pertaining to the training of principals, teachers and counselors on student mental health and substance abuse issues.
- Requires that the agency, along with Health and Human Services, provide web-based resources to LEA employees working with students with mental health conditions or substance abuse.
- Adds the study of mental health conditions, substance abuse, relationship management and responsible decision making to the required K-12 foundation curriculum.

HB 18 by Price

-The bill requires that the board appoints a school health advisory council, and that the district publishes their policies on physical and mental health. The bill requires that the school counselor implements a comprehensive school counseling program.

-The bill also gives school districts the ability to contract or employ a non-physician mental health professional and to establish a school-based health center at one or more campuses.

HB 18 by Price

- It also requires TEA to develop guidelines for districts on the provision of mental health services, best practices, and to provide coordinating education and services related to physical health education.
- The bill requires that the local mental health authority provides reports containing information on trainings, and the agency posts on mental health first aid training.
- The bill would take effect December 1, 2019.

HB 19 by Price

- Requires local mental health authorities to employ a non-physician mental health professional to serve as a resource for school districts in the region.
- Education service centers are required to provide space for the non-physician mental health professional to carry out their duties, and may enter into an MOU with the local mental health authority.

HB 19 by Price

- The bill lists the duties of the non-physician mental health professional, provides for equitable distribution of any funding, and allows school district to opt out of training provided.
- The duties include training school personnel in mental health first aid, training on the impact of grief and trauma on children, training on intervention programs related to substance use, and ensuring awareness of staff on several aspects of mental health initiatives, treatments, and best practices.

SB 10 by Nelson

- Creates a consortium to help coordinate state mental health initiatives across Texas' health-related institutions of higher education;
- Establishes the Child Psychiatry Access Program (CPAP), which will allow pediatricians to consult with psychiatry hubs at Texas medical schools;
- Establishes a program allowing youth to be screened for mental health issues through telemedicine.
- SB 1, the appropriations act, allocates \$7.5 billion across 21 state agencies to address mental health with \$100 million in new funding dedicated to SB 10.

SB 11 by Taylor

- Facilities Standards: The bill requires the commissioner to adopt or amend rules to ensure the safety of school district facilities.
- The commissioner will include in the rules best practices for the design and construction of new facilities and the improvement/renovation of existing facilities.
- The commissioner will conduct reviews every other year.

SB 11 by Taylor

- Mental Health and Substance Use Resources for School District Personnel: A local mental health authority will be required to employ and supervise a mental health and substance abuse professional for use by the school districts served by the regional education service center.
- The regional service center will provide the space from which the professional employed by the mental health authority will operate.
- The professional will provide training to personnel on a variety of mental health and substance abuse topics. School districts are not required to participate in these trainings.

SB 11 by Taylor

- Makes charter schools subject to the safety requirements under chapter 37 of the education code that previously related to just public school districts.

- School Safety Allotment of \$50 per ADA

School Safety Plans: Require policies for providing for the safety students in portable buildings, provisions for natural disaster or active shooter, a chain of command that designates a decision maker, and access to secure areas by substitute teachers.

SB 11 by Taylor

-A public hearing will be required when a district fails to comply with rules regarding the multihazard operations plans. A conservator will be appointed by TEA to order a school district to adopt, implement and submit a proper plan in order to be in compliance. If non-compliance continues, a board of managers can be appointed by the commissioner to oversee operations at the district.

-Notification of a Bomb Threat Threat Assessment Teams Trauma-Informed Care Policy Student Loan Repayment for Counselors



Ballot Bills

Ballot Bills

HB 440 by Murphy

- Original version of the bill would have required a separate election to reallocate unspent bond proceeds. The substitute eliminated the separate election requirement and replaced it with a requirement that a public hearing be held to specifically address the reallocation of bond proceeds.
- Bill has passed out of the House and has been received by the Senate.

HB 477 by Murphy

- Original version of the bill would have required detailed and extensive ballot language for bond propositions. The information would have included tax rate information, total district debt information, information regarding assumptions regarding the bond proposal.
- Substitute moves most of the information that would have been required of school districts to include on the ballot into a voter information document that would be made available to voters.
- Bill has passed out of Pensions and Investments Committee and has yet to be acted on by Calendars.

SB 323/HB 3376 by Huffman/Klick

- Require political subdivision of 120,000 or more to have ballot language reviewed by a regional three judge panel.
- The bill applies to all ballot propositions – TRE's, bond elections, policy referendums.
- The legislation is a reaction to recent elections featuring confusing ballots where voters could not easily determine whether a vote for or against the proposal truly meant for or against. In some cases, a casted vote on these ballots meant the opposite of what many voters had intended.

SB 1048 by Fallon

-The bill moves school board elections and school district bond elections to uniform November election dates.

-As of 4/4 – The legislation has been placed on the Senate Intent Calendar but we have been told that it is not yet eligible for the floor.

SB 30/HB 3909 by Birdwell/Phelan

-Original version of the bill would have required each project to be listed separately on the ballot and would have required each ballot item to list the portion of any tax rate increase that the ballot item represents within an overall tax increase.

The compromise language in the committee substitute would require certain types of facilities and purchases to be listed separately, such as stadiums, natatoriums, central administration facilities and technology purchases. However, instructional facilities of any variety could still be consolidated on a ballot item.

SB 30 has been voted out of committee but not yet reported. HB 3909 has been referred to Pensions and Investments.