TSA Compensation Survey

28 districts responded

If your district has not yet responded, please do so here:

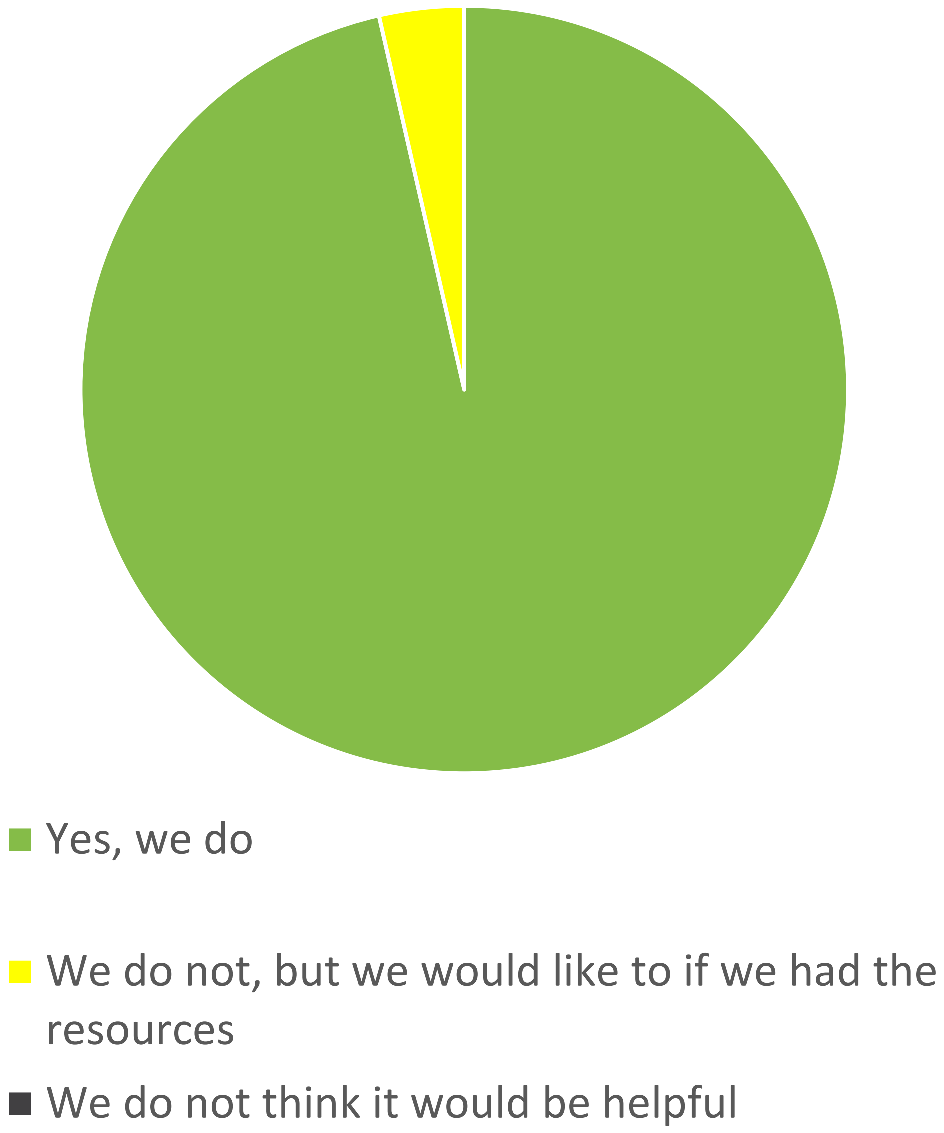
https://www.surveymonkey.com/r/S2MXLQ6

TASBO

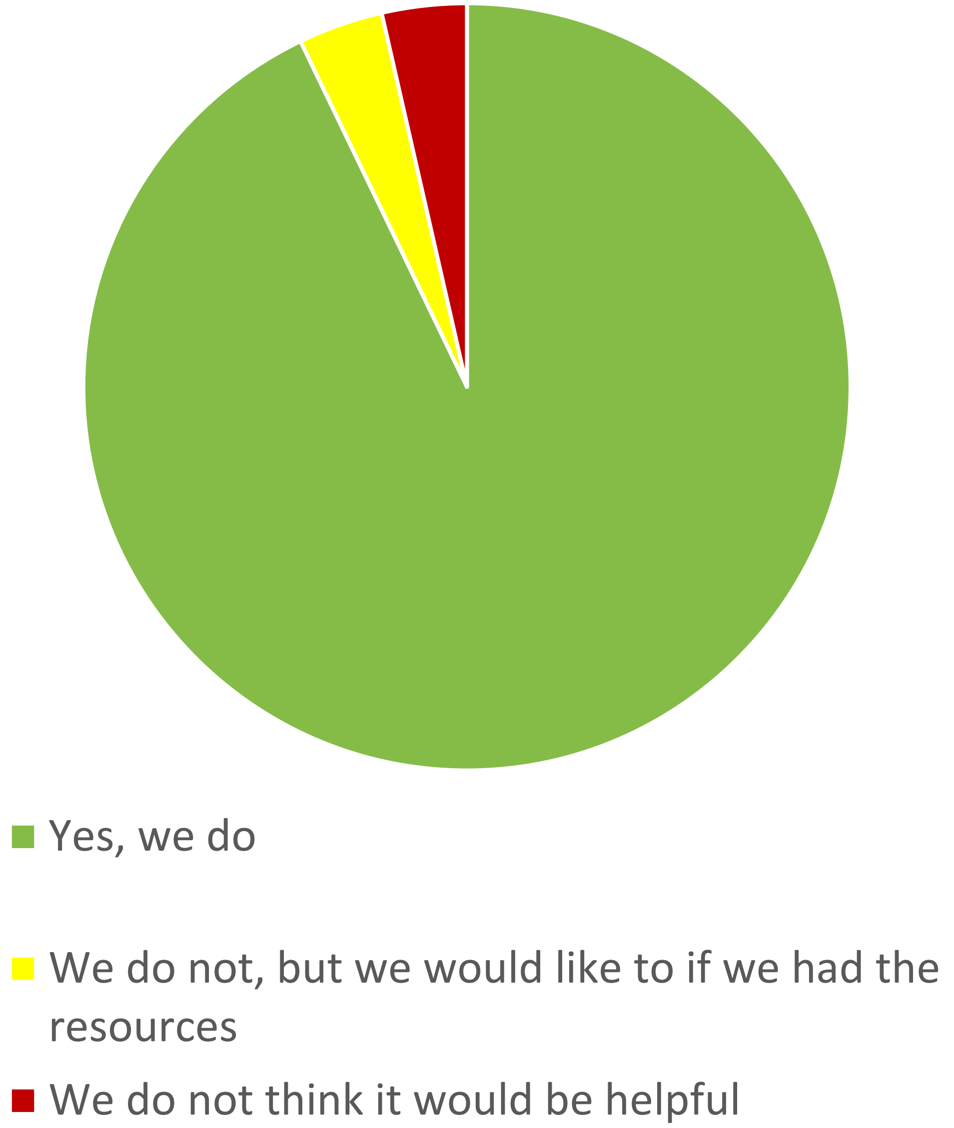
Do you offer additional compensation for staff to work in shortage areas?

- 27 do,
- 1 would like to

- Most often cited: special education, bilingual education, high school math (and 8th grade math for high school credit)
- Less often, but also: high school science, high school English, Languages other than English
- Reported stipends ranged from $200 to $15,000



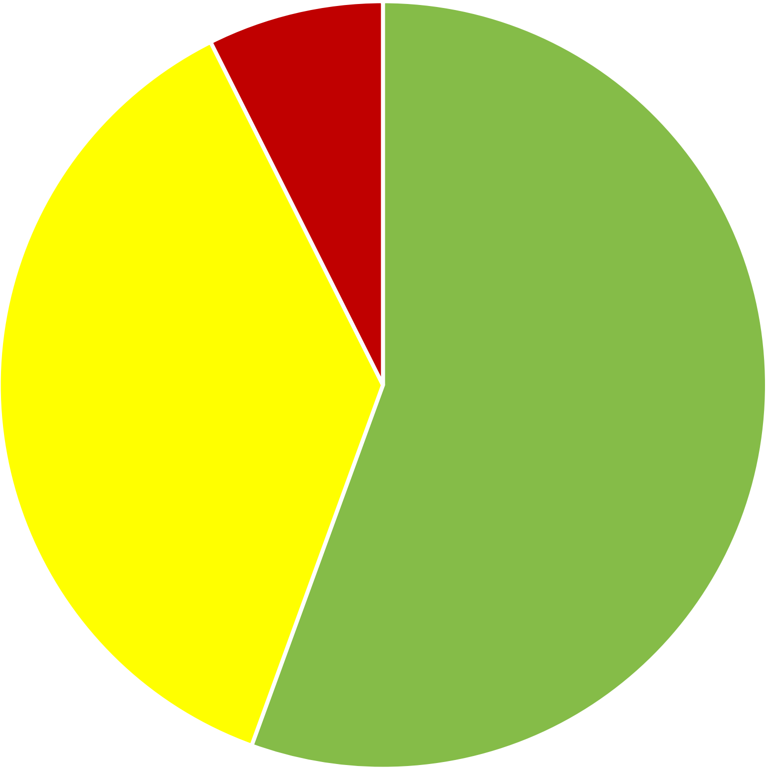
- **Do you offer additional compensation for staff to take on additional work?**
  - 26 do,
  - 1 would like to,
  - 1 does not think it would be helpful
- Responsibilities included:
  - Mentor teachers, department chairs, pay for larger class sizes, pay for taking on duties during conference periods, academic coordinators and other leadership positions



Do you offer additional compensation related to the difficulty of the staff assignment

- 15 do,
- 10 would like to,
- 2 do not think it would be helpful

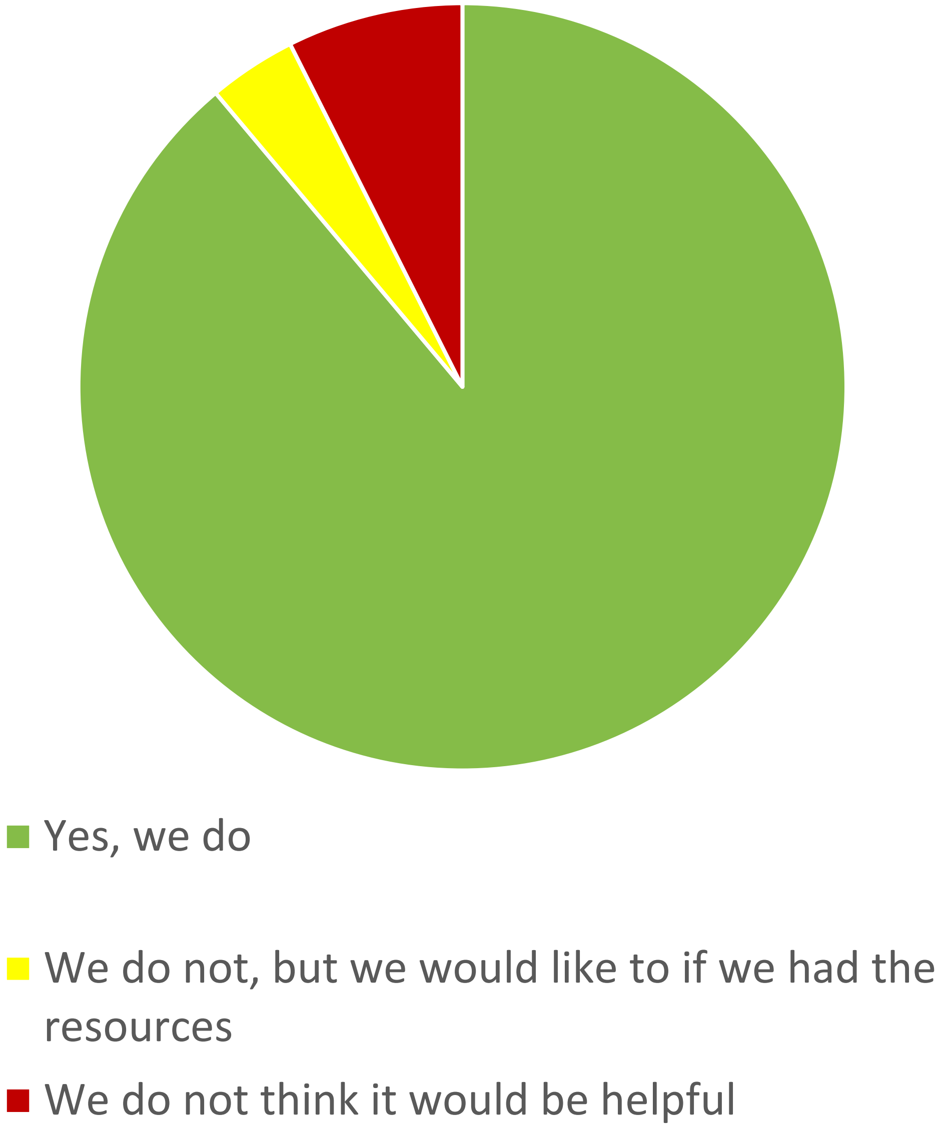
- DAEPs noted as well as targeted improvement or high needs campuses.
- Some have only experimented with campus administration, considering expansion to teachers.
- Some concern over where to draw the line / how to define high needs



Do you offer additional compensation related to the level of training or education of your staff

- 24 do,
- 1 would like to,
- 2 do not think it would be helpful

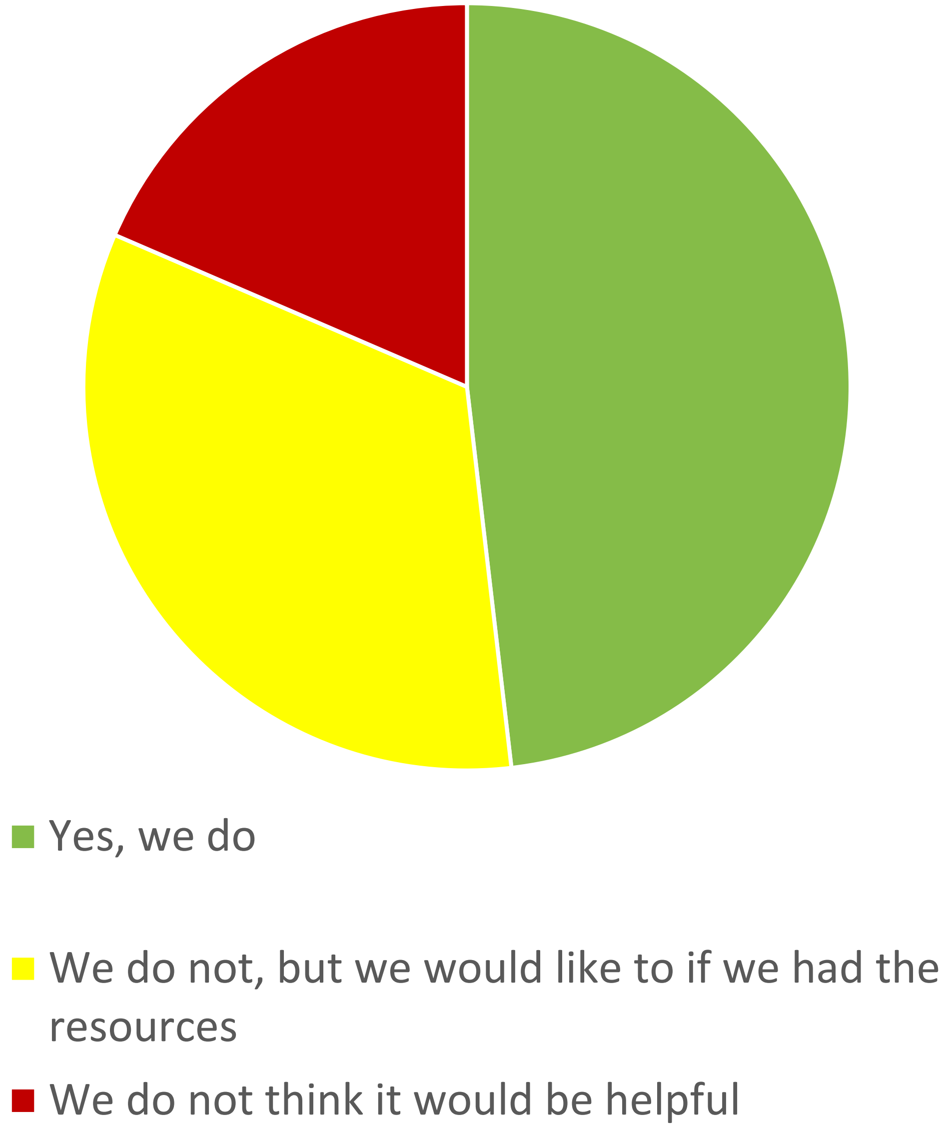
- Most often, additional pay for masters or doctorate, also TIA funding for National Board Certification



Do you offer additional compensation related to some measure of staff effectiveness

- 13 do,
- 9 would like to,
- 5 do not think it would be helpful

- Most often, this was through the teacher incentive allotment, either now or planned
- Concerns noted included objectivity / fairness, impact on morale, impact on collaboration, sustainability



Other Comments

- Differentiated pay offered to or wanted for other positions as well
  - Campus administration
  - Custodians
  - Security staff
  - Mental health professionals and other support staff
- Additional kinds of differentiated pay included
  - Referral bonuses
  - Certification reimbursements
  - Relocation bonuses
  - Paid teacher residency programs

Property Values

Tax Year 2022

School Year 2022-23

Tax Year 2022: Property Values Cells E63-E69

- Comptroller released Preliminary Certified Values on January 31, 2023
- **Update** Cells E63-E69 **now** to match the Comptroller's Prelim Values
- Which values do I enter in each cell?

Where do I find my PVS Values?

https://comptroller.texas.gov/taxes/property-tax/pvs/2022p/index.php

Taxes
Property Tax Assistance

SCHOOL DISTRICT PROPERTY VALUE STUDY

The purpose of the School District Property Value Study (PVS) is
state funding for public education. Government Code Section 40
of Public Accounts to conduct a study to determine the total taxa
district at least once every two years. The Comptroller's Property
conducts the School District PVS to estimate a school district's ta
those values to the commissioner of education. The commission
PVS results to ensure equitable distribution of education funds s
same number of dollars to spend per student, regardless of the
School District PVS results can affect a school district's state fun

The School District Property Value Study and How to Protest (PDF)
District PVS, provides greater detail regarding the School District
guidance on considering and preparing a protest of the School D
taxable value.

- School District PVS Findings
- School District PVS Preliminary Data Release
- School District PVS Preliminary Findings - Data Release for Inv
- School District PVS Preliminary Findings – How to Protest

▼School District PVS Findings

Year	School District PVS Findings	
2022	Preliminary	
2021	Preliminary	Final
2020	Preliminary	Final
2019	Preliminary	Final

January 2023

This information was certified to the Commissioner of Education on Jan. 31, 2023.
school district or eligible taxpayer to file a petition protesting the preliminary findi
the date of certification to the commissioner of education.

School district self-reported taxable value totals and deduction details are reporte
school districts in this PVS, additional school district findings and county land use v
reported. If a school district's boundary overlaps two or more counties, the school
split to only include the property located within a single county.

State Totals by Property Category

Summary Worksheet

School District Findings by County

- Anderson
- Andrews
- Angelina
- Aransas
- Archer
- Gillespie
- Glasscock
- Goliad
- Gonzales
- Gray
- Moore
- Morris
- Motley
- Nacogd
- Navarro

home » taxes » property tax » pvs » 2022p

Taxes
Property Tax

SCHOOL DISTRICT PROPERTY VALUE STUDY (GOV'T. CODE §403.302) 2022 PRELIMINARY FINDINGS

003 Angelina County

Land Use Value

- County Productivity Values
- Index Calculations

003-902 Hudson

- School District Summary Worksheet
- Deduction Detail
- Confidence Interval Detail
- Stratified Ratio Detail
- Field Studies Category Worksheet
- ISD Productivity Values
- Utilities Category Worksheet
- Minerals Category Worksheet

TASBO

Where do I find my PVS Values?

% Taxes
Property Tax Assistance

SCHOOL DISTRICT PROPERTY VALUE STUDY

The purpose of the School District Property Value Study (PVS) is to help ensure equitable distribution of state funding for public education. Government Code Section 403.302 requires the Texas Comptroller of Public Accounts to conduct a study to determine the total taxable value of all property in each school district at least once every two years. The Comptroller's Property Tax Assistance Division (PTAD) conducts the School District PVS to estimate a school district's taxable property value and certifies those values to the commissioner of education. The commissioner of education uses the School District PVS results to ensure equitable distribution of education funds so school districts have roughly the same number of dollars to spend per student, regardless of the school district's property wealth. The School District PVS results can affect a school district's state funding.

The School District Property Value Study and How to Protest (PDF) presents an overview of the School District PVS, provides greater detail regarding the School District PVS procedures and provides guidance on considering and preparing a protest of the School District PVS preliminary findings of taxable value.

Open All

- School District PVS Findings
- School District Pre-Preliminary Data Release
- School District PVS Preliminary Findings - Data Release for Invalid Findings
- School District PVS Preliminary Findings – How to Protest

https://comptroller.texas.gov/taxes/property-tax/pvs/2022p/index.php

1. Click on “School District PVS Findings”
2. Click on “Preliminary” on the 2022 line

▼ School District PVS Findings

Year	School District PVS Findings	
2022	Preliminary	
2021	Preliminary	Final
2020	Preliminary	Final
2019	Preliminary	Final

Where do I find my PVS Values?

https://comptroller.texas.gov/taxes/property-tax/pvs/2022p/index.php

January 2023

This information was certified to the Commissioner of Education on Jan. 31, 2023. The deadline for a school district or eligible taxpayer to file a petition protesting the preliminary findings is 40 days from the date of certification to the commissioner of education.

School district self-reported taxable value totals and deduction details are reported by county. For school districts in this PVS, additional school district findings and county land use values are also reported. If a school district's boundary overlaps two or more counties, the school district's findings are split to only include the property located within a single county.

State Totals by Property Category

Summary Worksheet

School District Findings by County

- Anderson
- Andrews
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- Gray
- Moore
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- Motley
- Nacogdoches
- Navarro

1. Click on “School District PVS Findings”
2. Click on “Preliminary” on the 2022 line
3. Click on the name of your county

Where do I find my PVS Values?

https://comptroller.texas.gov/taxes/property-tax/pvs/2022p/index.php

home » taxes » property tax » pvs » 2022p

Taxes

Property Tax

SCHOOL DISTRICT PROPERTY VALUE STUDY (GOV'T. CODE §403.302) 2022 PRELIMINARY FINDINGS

003 Angelina County

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- Stratified Ratio Detail
- Field Studies Category Worksheet
- ISD Productivity Values
- Utilities Category Worksheet
- Minerals Category Worksheet

1. Click on "School District PVS Findings"
2. Click on "Preliminary" on the 2022 line
3. Click on the name of your county
4. Click on "School District Summary Worksheet"

Where do I find my PVS Values?

https://comptroller.texas.gov/taxes/property-tax/pvs/2022p/index.php

home » taxes » property tax » pvs » 2022p

% Taxes

Property Tax

SCHOOL DISTRICT PROPERTY VALUE STUDY (GOV'T. CODE §403.302) 2022 PRELIMINARY FINDINGS

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home » taxes » property tax » pvs » 2022p

% Taxes

Property Tax

SCHOOL DISTRICT PROPERTY VALUE STUDY (GOV'T. CODE §403.302) 2022 PRELIMINARY FINDINGS

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- Utilities Category Worksheet
- Minerals Category Worksheet

1. Click on "School District PVS Findings"
2. Click on "Preliminary" on the 2022 line
3. Click on the name of your county
4. Click on "School District Summary Worksheet"

Tip: If your district has property in multiple counties, there will be a note "(split district)"

205-904 Mathis (split district)

- School District Summary Worksheet
- Deduction Detail

Clicking on "School District Summary Worksheet" for a split district will bring up tables for each county that applies to the district followed by a summary table. The following pages refer to the data found in the summary table.

256-901 Hometown ISD

- School District Summary Worksheet
- Deduction Detail

Scroll down past this table to find the smaller table of values you'll use to enter values in your template.

Important! If your district is in more than one county be sure you scroll all the way down to the table that includes values for all of the counties.

256-901-02/Hometown ISD

Category	Local Tax Roll Value	2022 WTD Mean Ratio	2022 PTAD Value Estimate	2022 Value Assigned
A - SINGLE-FAMILY	187,912,602	N/A	187,912,602	187,912,602
B - MULTIFAMILY	2,725,668	N/A	2,725,668	2,725,668
C1 - VACANT LOTS	15,180,245	N/A	15,180,245	15,180,245
C2 - COLONIA LOTS	0	N/A	0	0
D1 ACRES - QUALIFIED OPEN-SPACE LAND	23,119,902	N/A	23,119,902	23,119,902
D2 - FARM & RANCH IMP	4,243,897	N/A	4,243,897	4,243,897
E - NON-AG LAND AND IMPROVEMENTS	253,292,699	N/A	253,292,699	253,292,699
F1 - COMMERCIAL REAL	55,866,576	N/A	55,866,576	55,866,576
F2 - INDUSTRIAL REAL	214,843,483	N/A	214,843,483	214,843,483
G - ALL MINERALS	1,485,423	N/A	1,485,423	1,485,423
J - ALL UTILITIES	131,830,777	N/A	131,830,777	131,830,777
L1 - COMMERCIAL PERSONAL	17,852,929	N/A	17,852,929	17,852,929
L2 - INDUSTRIAL PERSONAL	4,232,654	N/A	4,232,654	4,232,654
M1 - MOBILE HOMES	8,884,471	N/A	8,884,471	8,884,471
N - INTANGIBLE PERSONAL PROPERTY	0	N/A	0	0
O - RESIDENTIAL INVENTORY	29,625	N/A	29,625	29,625
S - SPECIAL INVENTORY	1,419,607	N/A	1,419,607	1,419,607
Subtotal	922,920,558		922,920,558	922,920,558
Less Total Deductions	311,496,295		311,496,295	311,496,295
Total Taxable Value	611,424,263		611,424,263	611,424,263

The taxable values shown here will not match the values reported by your appraisal district

TASBO

256-901 Hometown ISD

- School District Summary Worksheet
- Deduction Detail

IMPORTANT! IMPORTANT! IMPORTANT! If you see a county name above your ISD name at the top of the table, you are not looking at the right table and need to keep scrolling down until you get to the summary table that includes values for all of the counties.

149-Live Oak /Live Oak County

256-901-02/Hometown ISD

Category	Local Tax Roll Value	2022 WTD Mean Ratio	2022 PTAD Value Estimate	2022 Value Assigned
A - SINGLE-FAMILY	187,912,602	N/A	187,912,602	187,912,602
B - MULTIFAMILY	2,725,668	N/A	2,725,668	2,725,668
C1 - VACANT LOTS	15,180,245	N/A	15,180,245	15,180,245
C2 - COLONIA LOTS	0	N/A	0	0
D1 ACRES - QUALIFIED OPEN-SPACE LAND	23,119,902	N/A	23,119,902	23,119,902
D2 - FARM & RANCH IMP	4,243,897	N/A	4,243,897	4,243,897
E - NON-AG LAND AND IMPROVEMENTS	253,292,699	N/A	253,292,699	253,292,699
F1 - COMMERCIAL REAL	55,866,576	N/A	55,866,576	55,866,576
F2 - INDUSTRIAL REAL	214,843,483	N/A	214,843,483	214,843,483
G - ALL MINERALS	1,485,423	N/A	1,485,423	1,485,423
J - ALL UTILITIES	131,830,777	N/A	131,830,777	131,830,777
L1 - COMMERCIAL PERSONAL	17,852,929	N/A	17,852,929	17,852,929
L2 - INDUSTRIAL PERSONAL	4,232,654	N/A	4,232,654	4,232,654
M1 - MOBILE HOMES	8,884,471	N/A	8,884,471	8,884,471
N - INTANGIBLE PERSONAL PROPERTY	0	N/A	0	0
O - RESIDENTIAL INVENTORY	29,625	N/A	29,625	29,625
S - SPECIAL INVENTORY	1,419,607	N/A	1,419,607	1,419,607
Subtotal	922,920,558		922,920,558	922,920,558
Less Total Deductions	311,496,295		311,496,295	311,496,295
Total Taxable Value	611,424,263		611,424,263	611,424,263

The taxable values shown here will not match the values reported by your appraisal district

256-901 Hometown ISD

- School District Summary Worksheet
- Deduction Detail

Value Taxable For M & O Purposes

T1	T2	T3	T4	T13
631,663,926	611,424,263	631,663,926	611,424,263	650,593,926

E63
E68

E66

Loss to the Increase in the State-Mandated Homestead Exemption	50 % of the loss to the Local Optional Percentage Homestead Exemption	Loss to the Previous Increase in the State-Mandated Homestead Exemption
20,239,663	0	18,930,000

T1 = School district taxable value for M & O purposes before the loss to the increase in the state-mandated homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the increase in the state-mandated homestead exemption and the tax ceiling reduction

T3 = T1 minus 50 % of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50 % of the loss to the local optional percentage homestead exemption

T13 = T1 plus the cost of the second most recent increase for that PVS Year in the mandatory homestead exemptions

M&O Values to Enter on Data Entry-SOF:

E63 = T1
E66 = T2
E68 = T1 (again)

2022-23 Property Values

		FINAL 2021 TAX YEAR	2022 TAX YEAR ESTIMATED	2023 TAX YEAR ESTIMATED
61				
62	**Property Values**			
63	State Certified Property Value ("T2" value) @ $25K Exemption	17,223,596,771		
64	State Certified Property Value ("T8" value) @ $25K Exemption	17,223,596,771		
65	State Certified Property Value ("T7" value) @ $15K Exemption	17,573,139,325		
66	**State Certified Property Value ("T2" value) @ $40K Exemption - begins in 22-23**			
67	**State Certified Property Value ("T8" value) @ $40K Exemption - begins in 22-23**			
68	**State Certified Property Value ("T1" value) @ $25K Exemption - begins in 22-23**			
69	**State Certified Property Value ("T7" value) @ $40K Exemption - begins in 22-23**			
70	**Expiration of Certain Excluded Property (see note in Cell C160 below)**	0	0	0
71	**Tax Rates and Collections**	**2021-22**	**2022-23**	**2023-24**

PVS M&O Values needed for Data Entry-SOF

- **E66 = T2** *Used for main formula FSP Calculations*
- **E63 = T1** *Used for ASAHE Hold Harmless Calculations*
- **E68 = T1 (again)** *Used for ASAHE Hold Harmless Calculations*

256-901 Hometown ISD

- School District Summary Worksheet
- Deduction Detail

Value Taxable For I & S Purposes

T7	T8	T9	T10	T14
796,748,296	776,508,633	796,748,296	776,508,633	815,678,296
E64 E69	E67			E65

T7 = School district taxable value for I & S purposes before the loss to the increase in the state-mandated homestead exemption

T8 = School district taxable value for I & S purposes after the loss to the increase in the state-mandated homestead exemption and the tax
ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

T14 = T13 plus the loss to the chapter 313 agreement

I&S Values to Enter on Data Entry-SOF:

E64 = T7
E65 = T14
E67 = T8
E69 = T7 (again)

TASBO

2022-23 Property Values

		FINAL 2021 TAX YEAR		2022 TAX YEAR ESTIMATED		2023 TAX YEAR ESTIMATED
61						
62	**Property Values**					
63	State Certified Property Value ("T2" value) @ $25K Exemption	17,223,596,771				
64	State Certified Property Value ("T8" value) @ $25K Exemption	17,223,596,771				
65	State Certified Property Value ("T7" value) @ $15K Exemption	17,573,139,325				
66	**State Certified Property Value ("T2" value) @ $40K Exemption - begins in 22-23**					
67	**State Certified Property Value ("T8" value) @ $40K Exemption - begins in 22-23**					
68	**State Certified Property Value ("T1" value) @ $25K Exemption - begins in 22-23**					
69	**State Certified Property Value ("T7" value) @ $40K Exemption - begins in 22-23**					
70	**Expiration of Certain Excluded Property (see note in Cell C160 below)**	0		0		0
71	**Tax Rates and Collections**	**2021-22**		**2022-23**		**2023-24**

PVS I&S Values needed for Data Entry-SOF

- **E67 = T8** *Used for main formula FSP I&S Calculations*
- **E64 = T7** *Used for ASAHE Facilities Hold Harmless Calculations*
- **E65 = T14** *Used for ASAHE Facilities Hold Harmless Calculations*
- **E69 = T7 (again)** *Used for ASAHE Facilities Hold Harmless Calculations*

Legislative Update

January 31, 2023

The State Budget Picture

School Finance Issues and Prospects

Other Education Issues in the 88th Legislature

Other School Finance Issues

The State Budget Picture

The Revenue Estimate, Spending Limits, and Estimated Costs….. Let the games begin!

Biennial Revenue Estimate for the 88th Legislature

BIENNIAL REVENUE ESTIMATE

January 2023

The Texas Comptroller issues the Biennial Revenue Estimate before every regular legislative session, projecting the amount that lawmakers have available for state programs and services through the upcoming biennium. The 88th Legislature will have a projected 2022-23 ending balance of $32.69 billion, in addition to $155.54 billion in total collections of available general revenue-related (GR-R) funds in 2024-25.

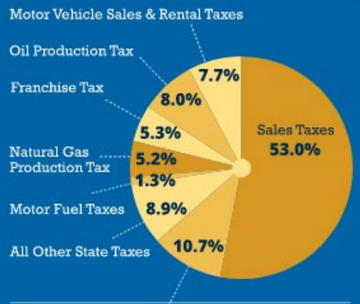
Revenue Available for General Purpose Spending (Projected)

In Billions of Dollars

		2022-23	2024-25	
General Revenue-Related (GR-R) Tax Collections	+	$137.87	$148.17	
Other GR-R Revenue	+	$19.12	$17.72	
Total GR-R Revenue	=	$156.98	$165.9	SUBTOTAL
Beginning Balance	+	$11.68	$32.69	
Total GR-R Revenue & Fund Balances	=	$168.66	$198.58	SUBTOTAL
Reserve for Transfer of Unencumbered and Unobligated General Revenue Fund Balance to the Economic Stabilization Fund	–	$5.71	$0	
Reserve for Transfer to the Texas Tomorrow Fund	–	$0	$0.15	
Reserve for Transfer of Severance Taxes to the State Highway Fund	–	$6.96	$7.34	
Reserve for Transfer of Severance Taxes to the Economic Stabilization Fund	–	$6.96	$2.86	
Total Revenue Available for General-Purpose Spending	=	$149.04	$188.23	TOTAL

Note: The amount reserved for transfer of severance taxes to the ESF is reduced by $0.69 billion in fiscal 2024 and by another $3.79 billion in fiscal 2025 because the ESF will have reached its constitutional cap.

State Revenue, General Revenue-Related



Other Revenues

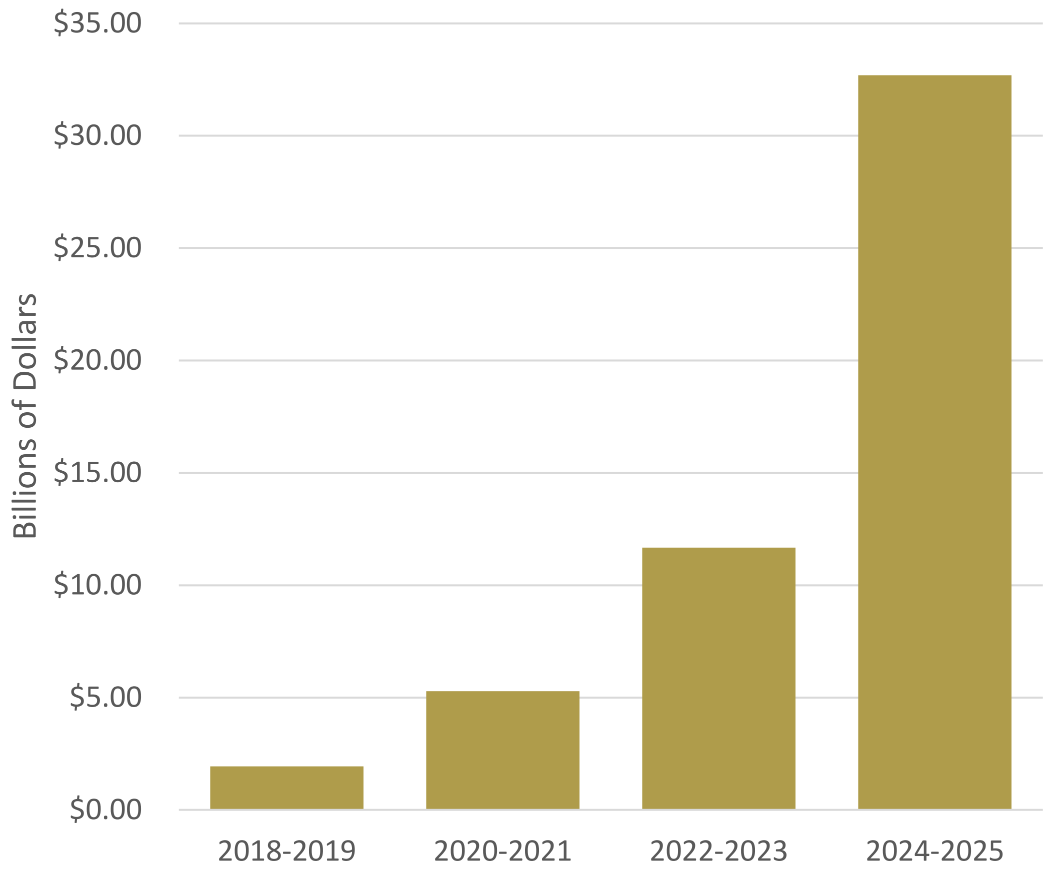
Fees, Investments & Other Non-Tax Revenue

Totals may not sum due to rounding.

Beginning Balance

$32.69 billion

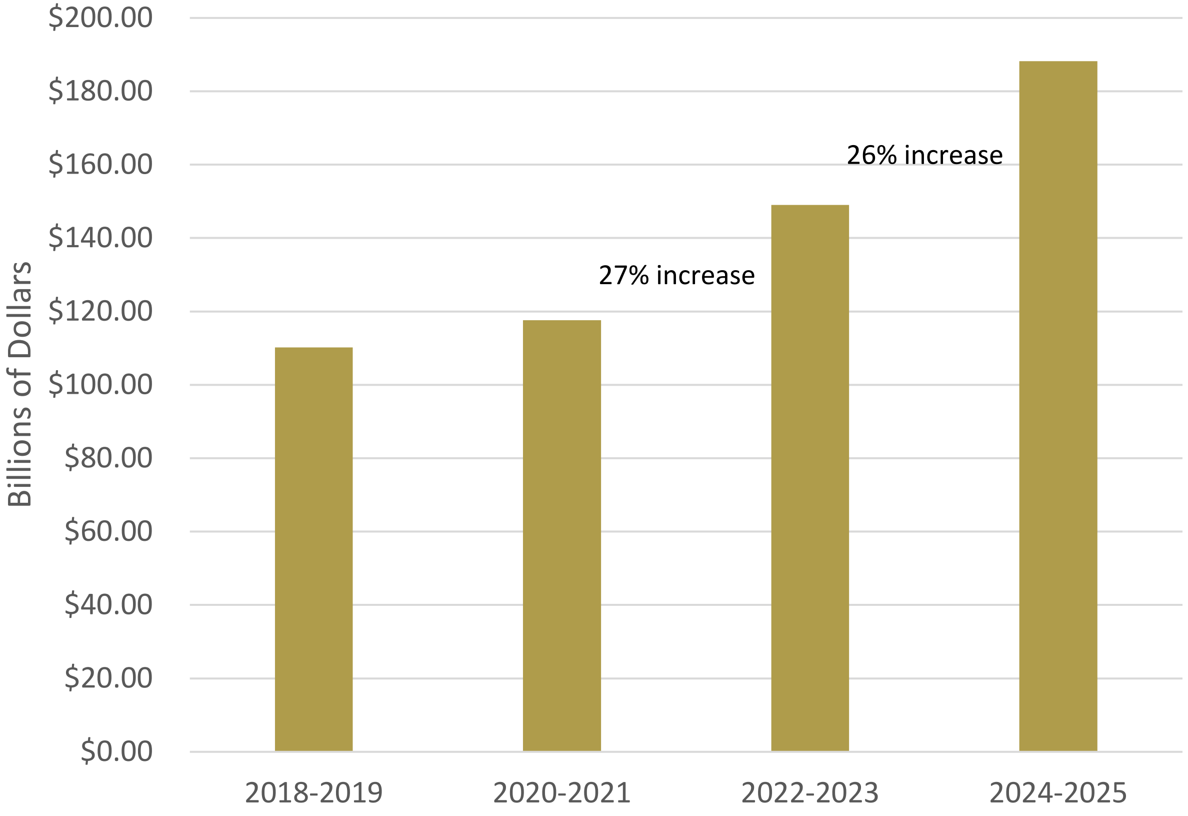
The accumulated surplus (or shortfall) that is expected to accrue in the current biennium



Source: Biennial Revenue Estimates, Various Years

Revenue Available

Estimated revenue that will be available for general purpose spending by lawmakers next biennium

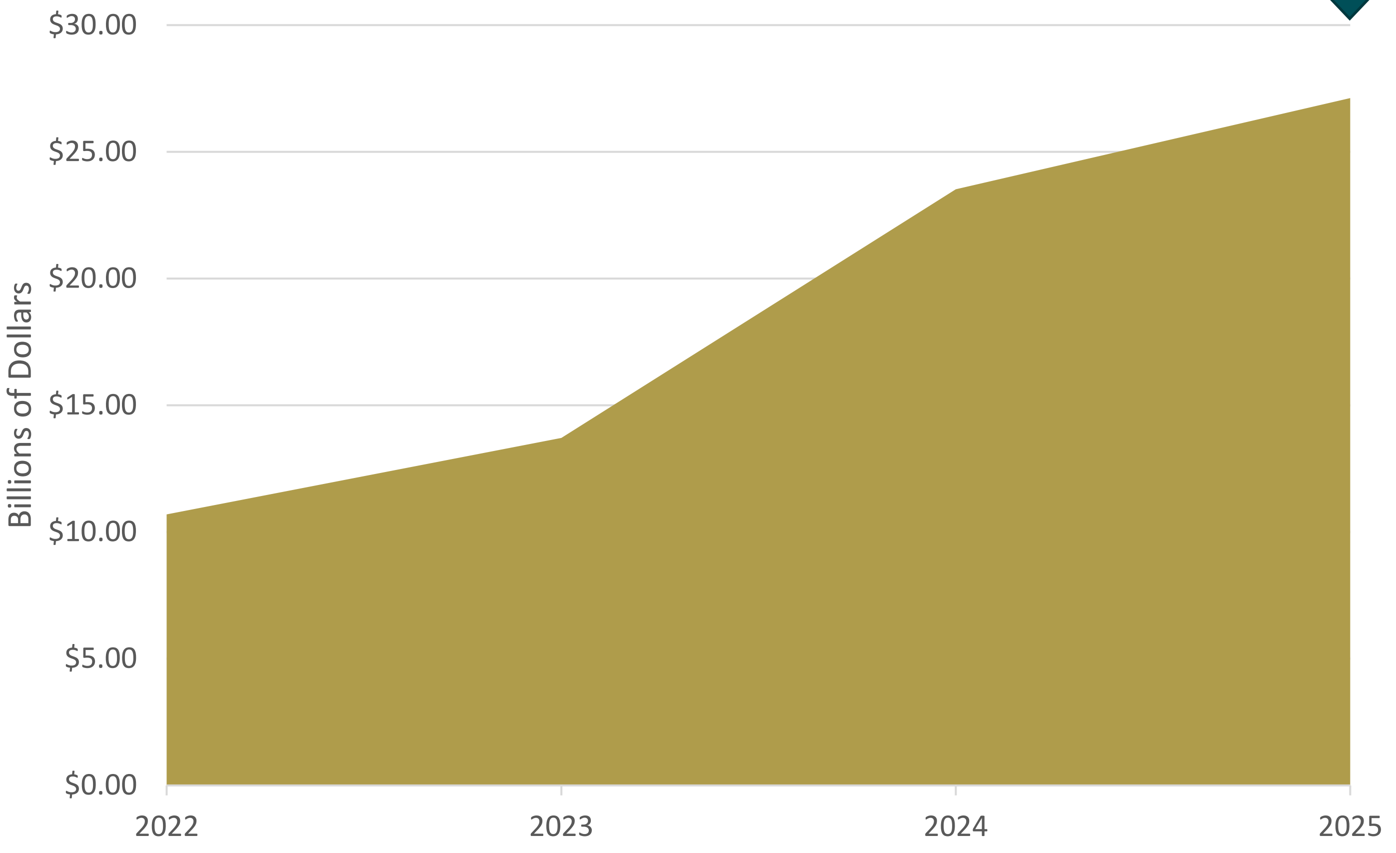


Source: Biennial Revenue Estimates, Various Years

Rainy Day Fund Ending Balance

$27.1 billion

The amount of money anticipated to have accumulated in the state's rainy-day fund by the end of fiscal 2025, absent action by lawmakers.

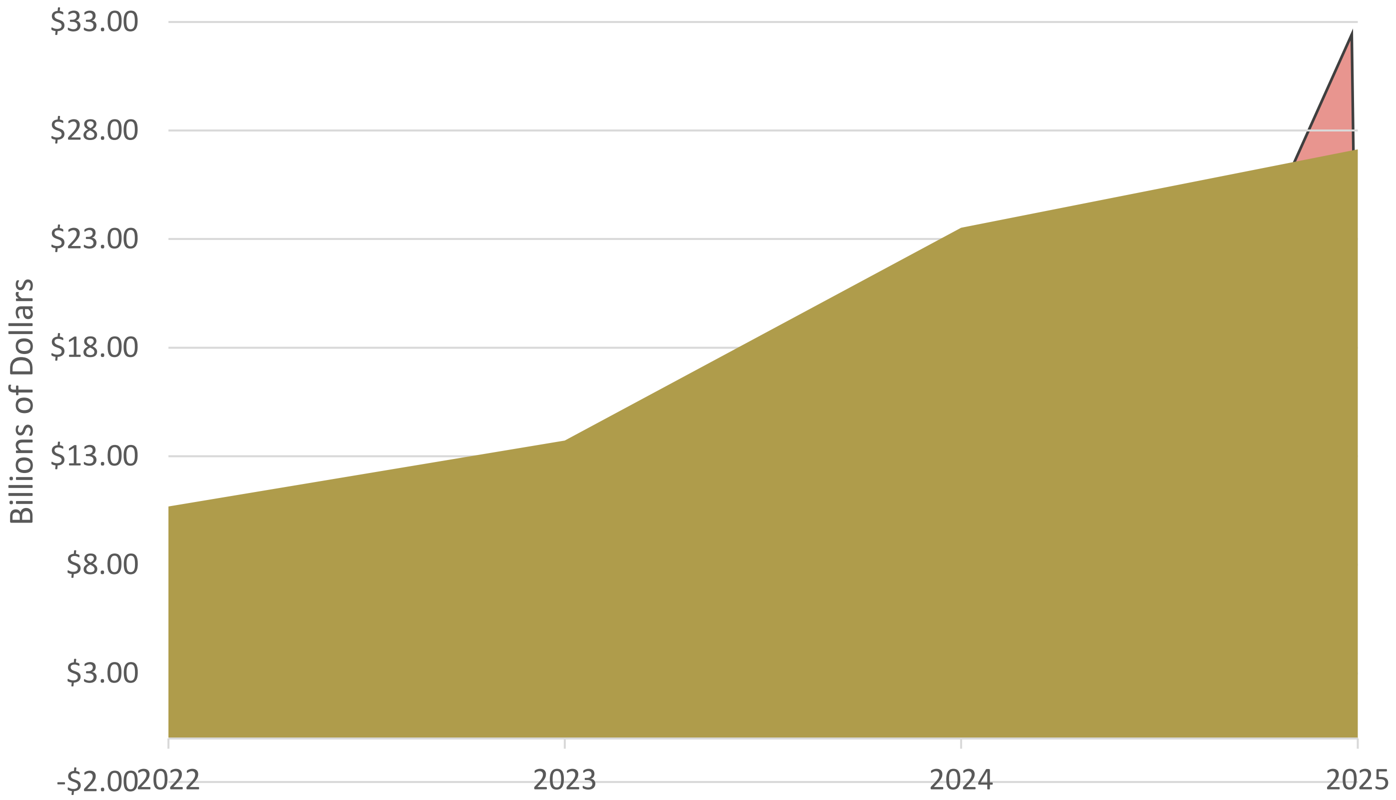


Source: Biennial Revenue Estimates, 88th Legislative Session

Projected Excess Over Limit

$4.5 billion

The amount of money that will not be deposited into the economic stabilization fund in FY 2025 due to the constitutional limit on the ESF balance.



Source: Biennial Revenue Estimates, 88th Legislative Session

Foundation School Program Surplus

$4.3 billion

The difference between what TEA was appropriated to spend on the FSP and what the formulas will dictate that TEA spend before the end of fiscal year 2023.

Funding Elements			
Students		**LPE**	**DPE**
1.	Refined Average Daily Attendance (ADA)	5,119,327.673	5,119,327.673
2.	Regular Program ADA (Ref ADA - Spec Ed FTEs - CT FTEs)	4,606,060.605	4,606,060.605
3.	Special Education FTEs Special Ed Detail Report	152,579.456	152,579.456
4.	Career & Technology FTEs	360,687.612	360,687.612
5.	Weighted ADA (WADA)	7,245,778.918	7,245,778.918
Property Values		**LPE**	**DPE**
6.	2020 State Certified Property Value (prior tax year)	$3,005,461,365,298	$3,001,074,574,196
7.	2021 State Certified Property Value (current tax year) (LPE 2020 State Certified Property Value * 1.0184)	$3,047,177,826,546	$3,047,177,826,546

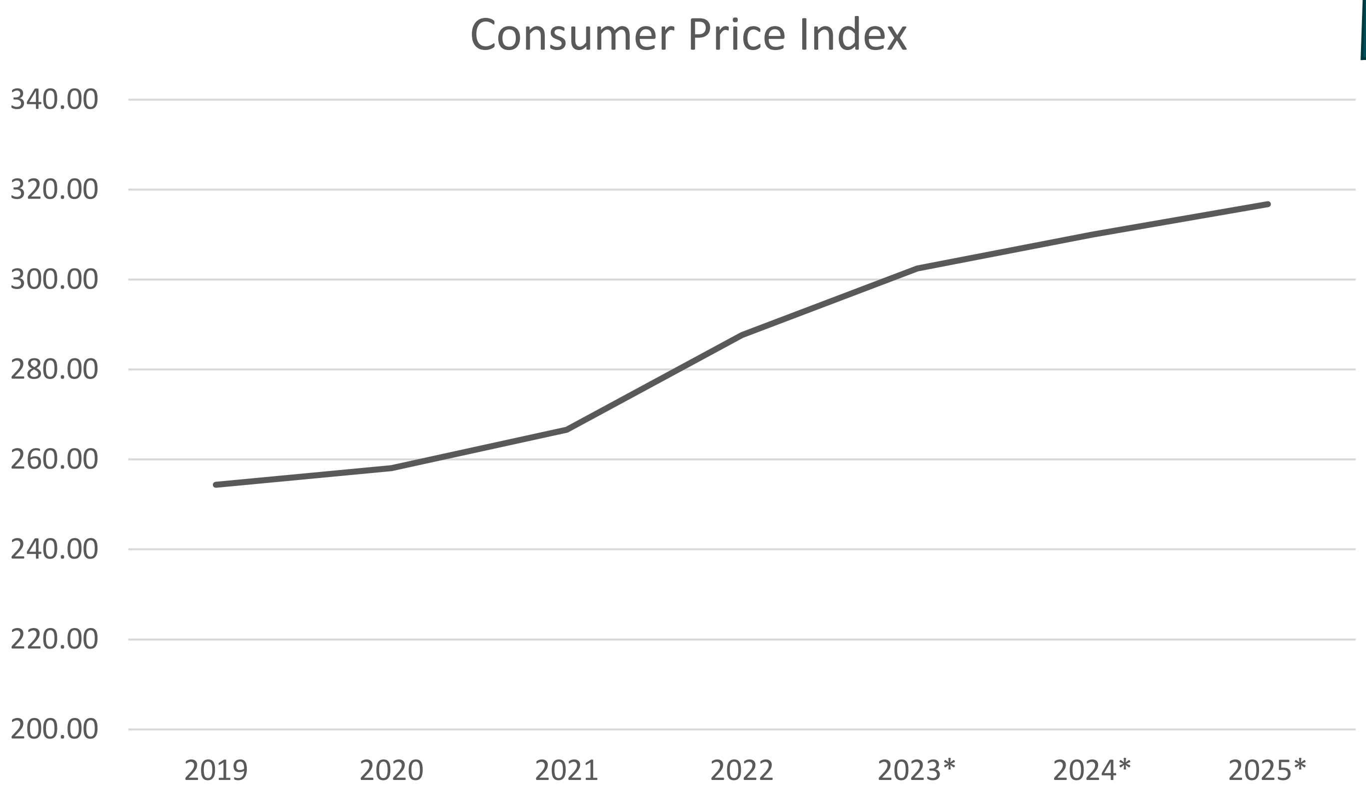
Funding Elements			
Students		**LPE**	**NF**
1.	Refined Average Daily Attendance (ADA)	5,092,994.262	4,969,072.711
2.	Regular Program ADA (Ref ADA - Spec Ed FTEs - CT FTEs)	4,577,689.105	4,457,267.248
3.	Special Education FTEs Special Ed Detail Report	152,975.679	156,466.609
4.	Career & Technology FTEs	362,329.478	355,338.854
5.	Weighted ADA (WADA)	7,185,630.765	7,093,587.693
Property Values		**LPE**	**NF**
6.	2020 State Certified Property Value (prior tax year)	$3,005,461,365,298	$2,977,851,425,646
7.	2021 State Certified Property Value (current tax year) (LPE 2020 State Certified Property Value * 1.0184)	$3,183,052,397,476	$3,169,777,724,232

TASBO

Inflation

FY 19 to FY 22 increase 14.5%

The actual and projected rate of change in the consumer price index



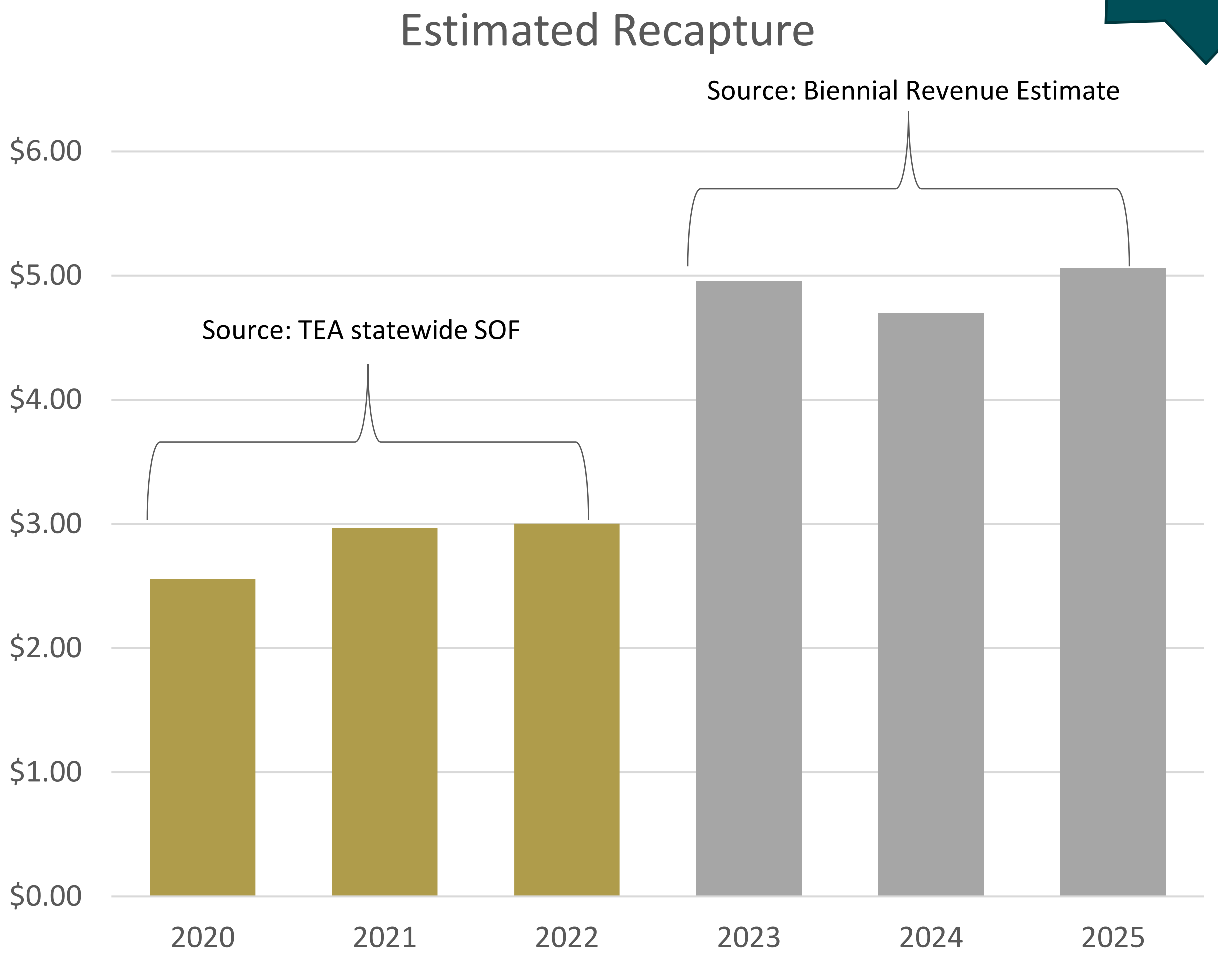
Source: Biennial Revenue Estimates, 88th Legislative Session

TASBO

Anticipated Annual Recapture

$5 billion

FY 2020 through FY 2022 is calculated recapture as reported on the statewide SOF for a given year. FY 2023 through FY 2025 is estimated recapture to be collected within a fiscal year.



TASBO

Spending Limits

Pay as you Go Limit

- The state cannot spend more than the comptroller estimates will be available (no deficit spending)

Tax Spending Limit

- The rate of growth in appropriations from state tax revenue not dedicated by the constitution cannot exceed the estimated rate of growth in the state's economy.

Consolidated General Revenue Limit

- The rate of growth of consolidated GR appropriations cannot exceed the estimated average growth in population plus inflation

Spending Limit

FIGURE 24 REMAINING GENERAL REVENUE FUNDS SPENDING AUTHORITY, 2024–25 BIENNIUM	
(IN BILLIONS)	AMOUNT
Pay-as-you-go Limit	$43.6
Tax Spending Limit	$4.0
Consolidated General Revenue Limit	$17.1
SOURCE: Comptroller of Public Accounts, Legislative Budget Board.	

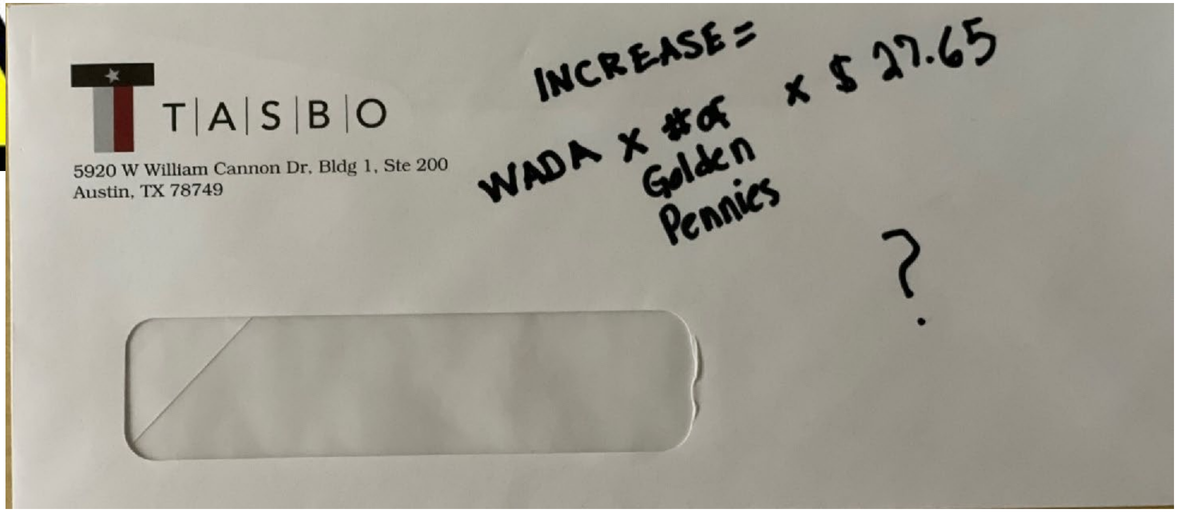
Source: LBB Summary of 2024-25 Budget Estimates

The spending limit will change based on what happens in the supplemental appropriations bill

Expenditures from certain funds can be excluded from the tax spend limit and the consolidated GR limit

Base Budget Bill – HB 1: Golden Penny Yield (Senate and House)

- Increased from current $98.56 per penny per WADA to $126.21 in FY 2024 and $129.52 in FY 2025
  - An increase of **$27.65** in FY 24 and **$30.96** in FY 25
  - Statewide cost estimate: **$2.4 billion** for the biennium
- Statute requires the guaranteed yield on golden pennies to increase
  - In proportion to changes in the basic allotment; and
  - As necessary to keep pace with the 96th percentile of wealth per WADA
- The copper penny yield also increase when the basic allotment increases, but this triggers compression on copper pennies so that the overall revenue remains flat (fewer pennies, each worth more)



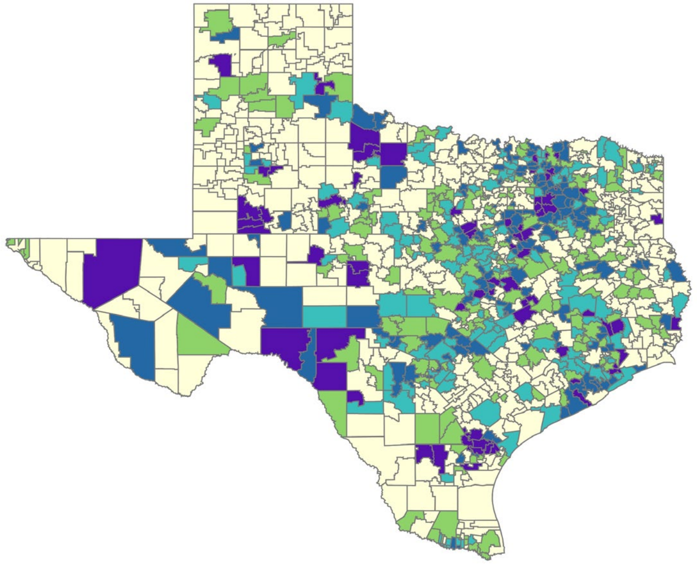
Varying local circumstances can change the result -- that's why they make templates.

- Calculated tax effort doesn't equal # of golden pennies in the adopted rate;
- For formula transition grant districts, the increase initially nets against FTG;
- If your district's local revenue is higher than the yield, the increase doesn't impact your bottom line until the yield is above what your district generates locally.

Base Budget Bill: Property Tax Cuts

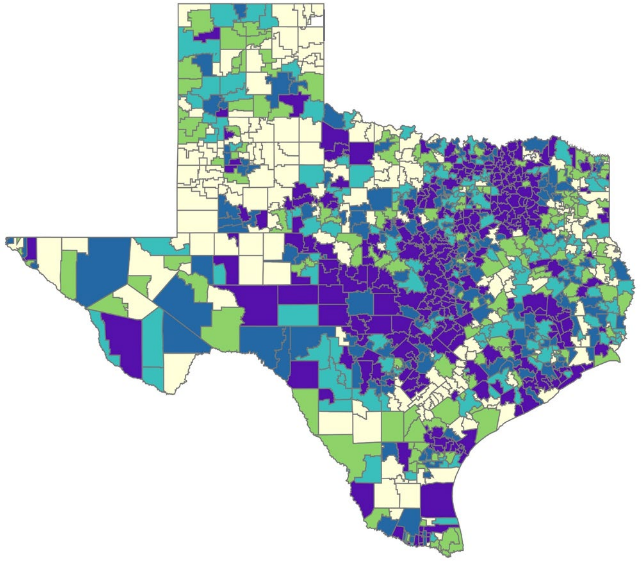
- Rider 81 – A total of $15 billion
- $3.118 billion for statutorily required property tax cuts
- $2.156 billion for an additional $0.0775 buy down of the ceiling
- $9.726 billion for additional property tax reductions.
  - The senate version specifies that $3 billion of this will be for an increase in the homestead exemption to $70,000

MCR History



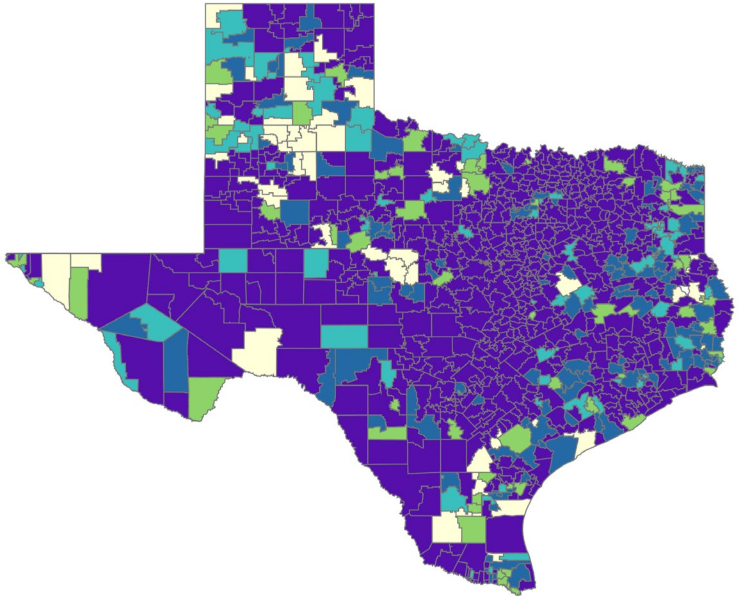
2020

$0.9164	475 districts
$0.8908 – 0.9163	181 districts
$0.8665 – 0.8907	153 districts
$0.8248 – 0.8664	134 districts
$0.8247	72 districts



2021

$0.9134	204 districts
$0.8821 – 0.9133	151 districts
$0.8521 – 0.8820	168 districts
$0.8221 – 0.8520	174 districts
$0.8220	318 districts



2022

$0.8941	51 districts
$0.8650 – 0.8940	57 districts
$0.8360 – 0.8649	75 districts
$0.8047 – 0.8359	133 districts
$0.8046	698 districts

Base Budget Bill: Additional Funding for Schools

- Rider 82 House Version
- Rider 82 Senate Version

82. Public Education Funding Increases. It is the intent of the legislature to provide increased funding for school districts and charter schools. Possible strategies include, but are not limited to, funding for increased compensation and benefits for classroom teachers; additional funding for the Teacher Incentive Allotment under Education Code, Section 48.112; increases to the Basic Allotment pursuant to Education Code, Section 48.051; increases to the School Safety Allotment under Education Code, Section 48.115; and increases to the Instructional Materials and Technology Allotment under Education Code, Section 31.0211. This rider does not currently make an appropriation.

82. Increased Teacher Compensation. It is the intent of the legislature to provide increased compensation and benefits for classroom teachers at school districts and open-enrollment charter schools, including, but not limited to additional funding for the Teacher Incentive Allotment.

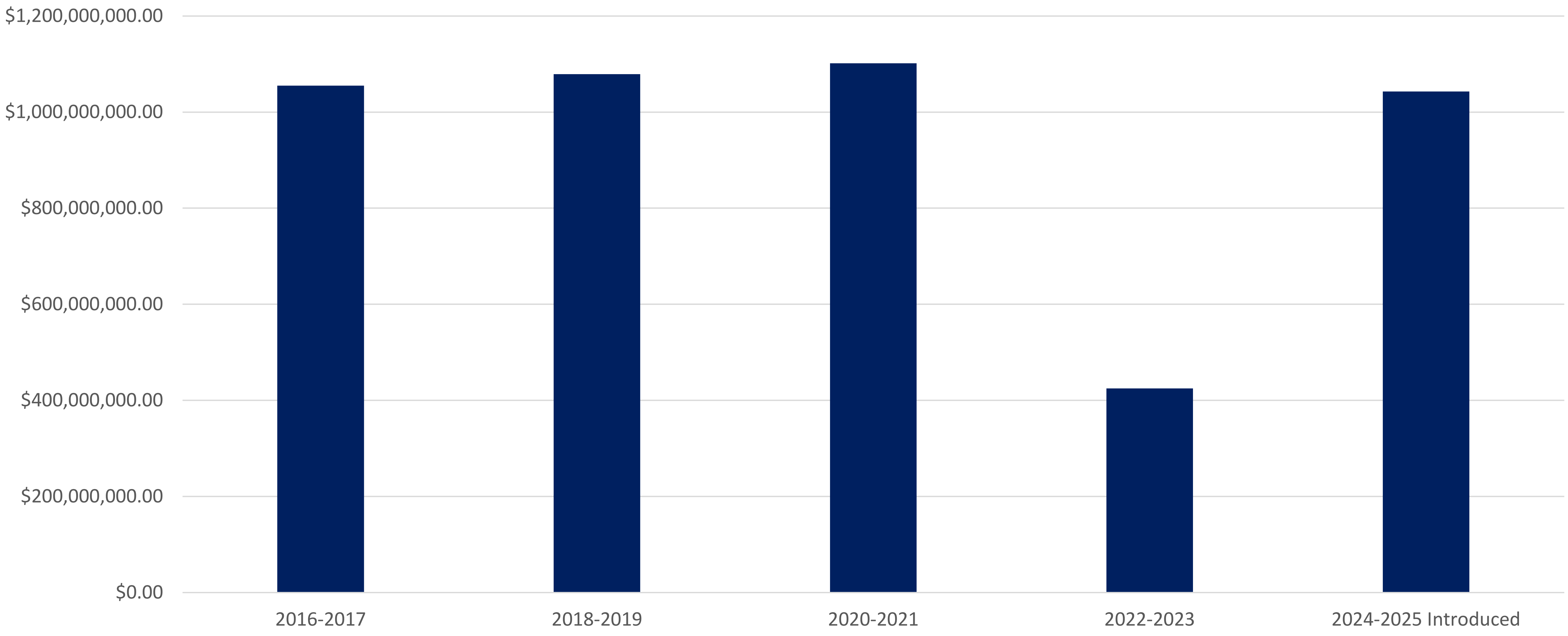
Neither specify an amount of funding;
The senate version limits the intended increase to teacher compensation

Other Education Items

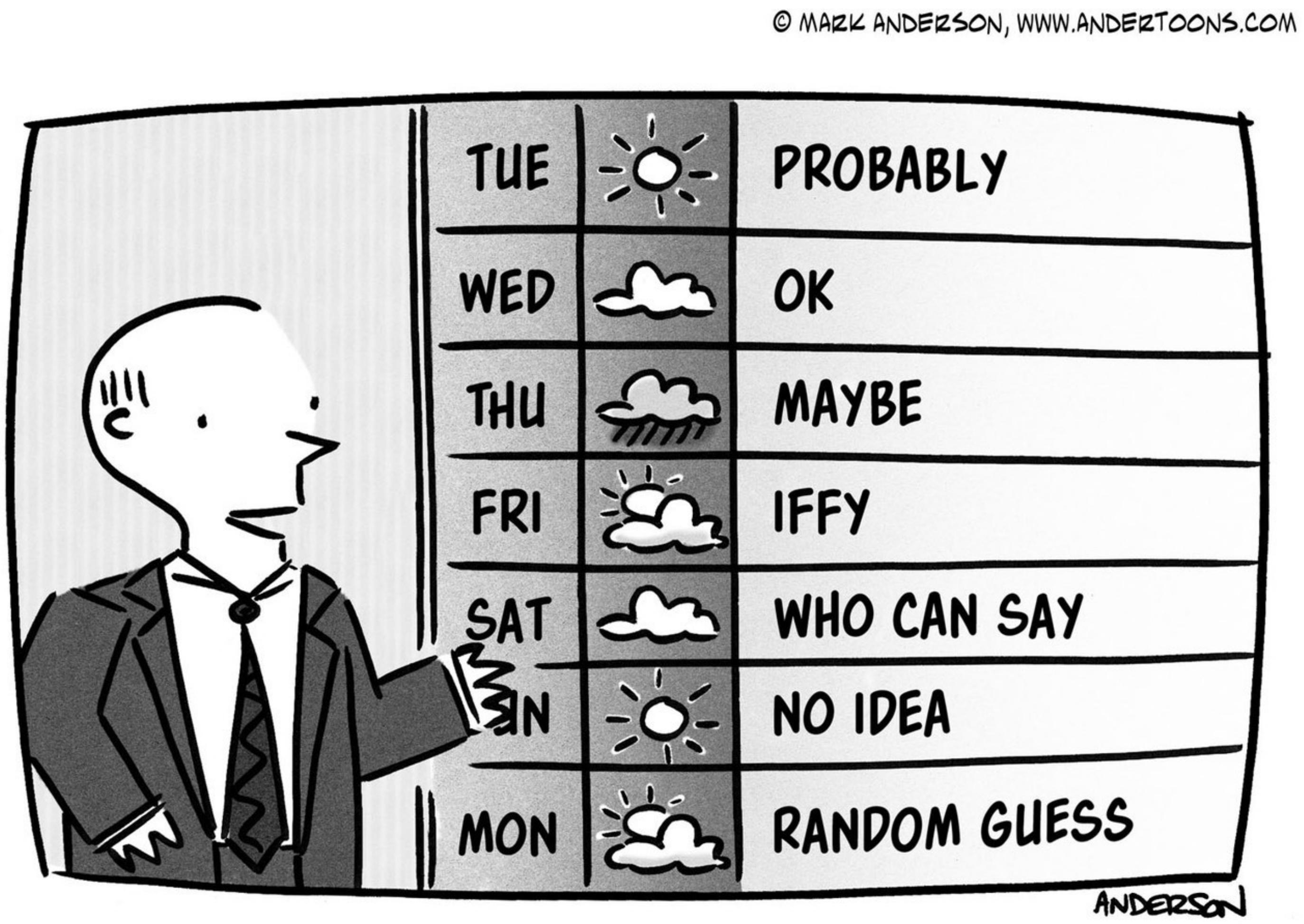
- Article 9 Supplemental Appropriations Bill Intended Items
  - Not actual appropriations (those come later in a different bill)
  - Nearly $6 billion in *intended* spending for the current biennium
  - Includes $600 million in school safety funding
  - Unclear how FSP surplus plays into this funding

- Cyber Security
  - $55 million for TEA to enter into an interagency agreement with DIR to provide cybersecurity services to LEAs including cybersecurity assessments, end point detection response, and network detection response.

Technology and Instructional Materials Allotment Biennial Appropriation



School Finance Prospects



"And now the 7-day forecast..."

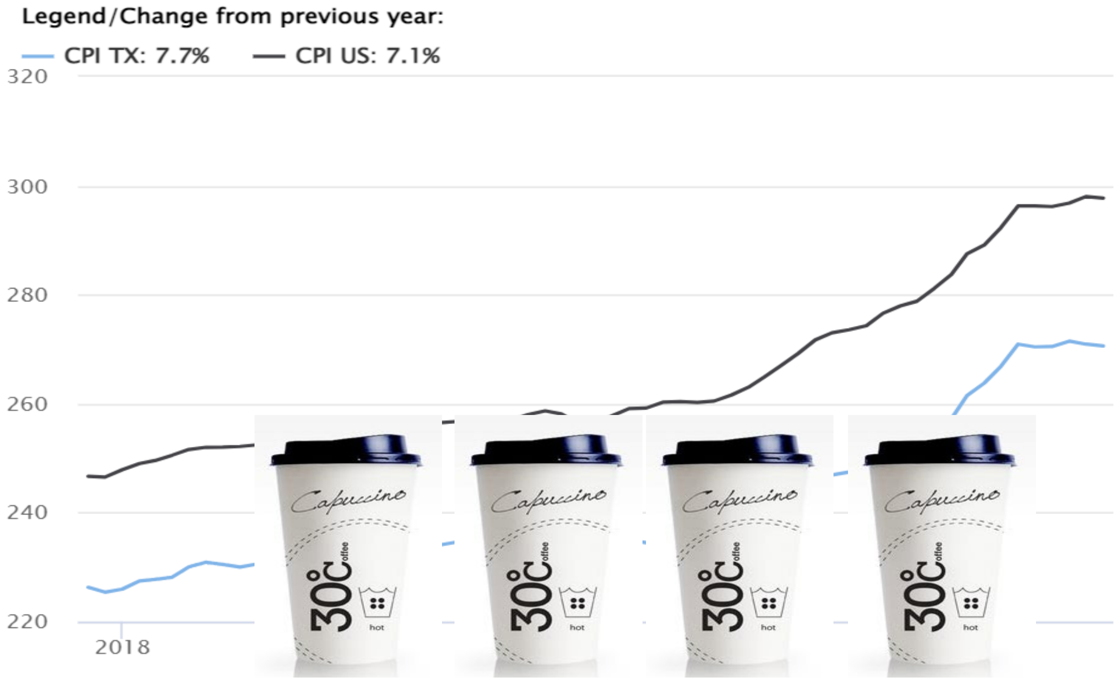

ADJUST FOR INFLATION
AVOID FISCAL CLIFFS
ADDRESS STAFF SHORTAGES
Legislative Priorities
REFORM TRUTH-IN-TAXATION
IMPROVE SCHOOL SAFETY
ENCOURAGE LOCAL CONTROL
CUSTOMIZE SOLUTIONS

Property Tax Options

- Homestead Exemption Increase
- Appraisal Reform
- Limits on Appraisal Growth
- Additional Tax Rate Compression
- Elimination of the Property Tax

Inflation

Without formula increases, FSP funding per student is flat, even when property taxes increase.



*Excluding food and energy

Source: US Bureau of Labor Statistics and Comptroller of Public Accounts, based on data provided by Bureau of Labor Statistics

Inflation Adjusted Basic Allotment

A 14.5% increase in the BA is about $900

BA	Increase from Current BA	Two-Year Statewide Total Cost
$6,160	--	--
$6,260	$100	$1.443 billion
$6,360	$200	$2.896 billion
$6,460	$300	$4.353 billion
$6,560	$400	$5.812 billion
$6,660	$500	$7.272 billion
$6,760	$600	$8.732 billion
$6,860	$700	$10.194 billion
$6,960	$800	$11.656 billion
$7,060	$900	$13.118 billion
$7,160	$1,000	$14.581 billion

Compensation Requirements when the BA Increases

*…a school district must use at least **30 percent** of the amount, if the amount is greater than zero, that equals the product of the average daily attendance of the district multiplied by the amount of the difference between the district's funding under this chapter per student in average daily attendance for the current school year and the preceding school year **to provide compensation increases to full-time district employees other than administrators** as follows:*

*(1) **75 percent** must be used to increase the compensation paid to **classroom teachers, full-time librarians, full-time school counselors** certified under Subchapter B, Chapter 21, and full-time school nurses, prioritizing differentiated compensation for classroom teachers with more than five years of experience; and*

*(2) **25 percent** may be used as determined by the district to increase compensation paid to full-time district employees.*

TEC 48.011(c)

Basic Allotment Compensation Requirements

TEC 48.011(c) Under current law

What?
- An increase in compensation

When?
- When the basic allotment is increased

How much?
- 30% of any increase in per student funding under Chapter 48 in the relevant school year compared to the prior year

Who?
- 75% on teachers, librarians, counselors and nurses (prioritizing > 5 years of experience)
- 25% on other staff, but not administrators

Inflation Adjusted Basic Allotment

- Legislative Questions
  - Will lawmakers use the 30% in current law as a mechanism to increase pay, or take another approach?
  - Will they keep current language, amounts?
  - Will they limit the allotments that apply to the pay increase requirement?
  - Will other salary mechanisms be considered:
    - Mandatory pass-through pay raise of x per person
    - Change in the Minimum Salary Schedule (currently tied to the basic allotment)

TEA Teacher Vacancy Taskforce

- Teacher Vacancy Task Force Overview | Texas Education Agency
- Report expected soon
- Likely to include salary recommendations as well as other staffing issues:
  - Workforce preparation
  - Working conditions
  - Career pathways
  - Benefits

Changes to Special Education Funding

- Commission **Final Report** Includes:
  - Moving from setting / FTE-based model to ADA / service intensity-based model
    - Requires new data collection
  - Likely includes add-ons for other things such as
    - Physical Therapy
    - Speech Therapy
    - Occupational Therapy
  - Includes other funding for
    - Special education transportation
    - Assessment
  - Includes increases / continuation of supplemental services

Improved School Safety Funding

- TEA cost estimate of school safety facility standards update: $2.1 billion
- Current school safety allotment: $50 million
- School safety allotment grant program: $400 million
- Appropriations bill calls for an additional $600 million in FY 2023
- TEA currently surveying districts on cost of standards, use of school safety allotment
- House Public Education Committee interim report includes calls for funding improvements, expansion to include mental health

ADA Versus Enrollment

- Hoped-for return to normal attendance rates do not appear to have materialized in many districts
- Rep. Hinojosa has filed HB 31 to move to an enrollment-based system
- Some lawmakers have expressed concern
  - Incentives for attendance
  - Cost
  - Differential impact

Other Education Issues

Parental Rights

- Vouchers / Scholarships / Education Savings Accounts
- Increased parent access to / control over curriculum materials / lesson plans / library books
- Reformed transfer policies
- Parent grievance process

HB 4545 Tutoring

- According to House Public Education Interim report, $174 million in grants and $3.9 billion in ESSER were used to support tutoring.
- Report recommends providing ongoing funding and removing HB 4545 sunset provision, with modifications including:
  - Elimination of accelerated learning committees
  - Clarification of conditions under which parents can opt out
  - Limitation of tutoring to reading and math only
  - Some additional flexibility on number of hours required, with dyslexia and special education interventions counting toward the requirement

School Safety / Mental Health / Student Discipline

- Some additional focus on truancy, but tension remains over how much state intervention is appropriate when students are absent / chronically-absent
- Support for increased mental health services
- Clarification of requirements for parent consent around mental health services

Assessment and Accountability

- School community has raised concerns including:
  - Need for continued protections against low ratings due to the pandemic
  - Inclusion of non-test-based accountability items
  - Increased focus on and alignment with workforce-oriented targets for CCMR

Coming Updates to the SOF

Coming Soon

- Preliminary PVS results due to TEA by the end of January
- February / March SOF updates to include:
  - LPE and DPE with adopted M&O tax rate and preliminary PVS value from the comptroller, budgeted tax collections as reported in PEIMS
  - LPE and DPE with revised compensatory education counts based on fall snapshot
  - DPE only for other student counts (ADA, FTEs)

Track what gets updated when here

Coming Soon

- Senate Bill 8 from the 3rd Called Special Session of the 87th
  - Requires proportional application of homestead exemptions for homeowners who purchase homes after January 1 of a given tax year.
  - Hold harmless funding will be provided to schools
  - Your tax office will be asked to break out any refunds given under this statute
  - Applicable with Tax Year 2022 (now).

Frozen-Levy Reduction

- Senate Bill 12 from the 3rd Called Special Session of the 87th
  - Requires the proportional reduction of the frozen levy amount for seniors and disabled citizens
  - Will be based on a running calculation going back to the first year of tax compression in tax year 2019
  - Most state aid / recapture reduction will flow automatically through lower T2 and corresponding lower local share. Hold harmless language in place to ensure districts are fully-protected

Recapture Catch-Up Payments

Reminder: HB 1525 from last regular session requires TEA to collect recapture from districts that were not notified of their recapture status prior to the beginning of the school year.

Will impact some districts with values growing faster than state average who are at the state compression floor

TEA will add this obligation to next year's recapture payment.

Was in effect in FY 2022, but will likely apply to many more districts in FY 2023.

Next Steps

"Oh, that? We don't know what that is. The plan is to just ignore it and hope it goes away."

January

- Introduced Budget: 1/18
- Senate Committees Announced: 1/23
- Preliminary PVS results (by 1/31)

February

- House Committees Expected
- Budget Hearings Begin (Senate Finance will hear TEA on 2/6)

March

- Bill Filing Deadline: 3/10
- Committee Hearings and Floor Action

April

- Committee Hearings and Floor Action Continues

May

- Focus moves to the floor as deadlines begin to impact bill passage
- Sine Die (5/ 29)

Thank you for Your Time Today!

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