

Issue Docket

Conference Committee on House Bill 1

2012-13 General Appropriations Bill

Article III, Public Education

Article III
ISSUE DOCKET

Conference Committee on General Appropriations Bill

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2012	2013	2012	2013		
<u>TEXAS EDUCATION AGENCY</u>		III-1		III-1		
A.1.1. FSP - Equalized Operations	\$ 16,627,813,934	\$ 16,538,013,933	\$ 18,533,313,934	\$ 18,443,513,933	\$ 3,811,000,000	<p>a. House includes \$26,898,159,867 in GR (\$33,165,827,867, All Funds) for FSP-Operations (See also House Rider #3, III-6, Rider Packet page III-1.).</p> <p>Senate includes \$30,709,159,867 in GR (\$36,976,827,867, All Funds) for the same purpose. (See also Senate Rider #3, III-6, Rider Packet page III-1.).</p> <p>b. Senate Article IX.18.10 reduces appropriation by \$2,000,000,000 in General Revenue in FY2013 contingent on SB 1811 which would defer the August payment in FY2013 into FY2014. (See also Senate Rider IX.18.10, IX-70.)</p>

Agency/Item	House		Senate		Biennial Difference	Explanation
	2012	2013	2012	2013		
A.2.1, Statewide Educational Programs	\$ 84,828,930	\$ 84,829,430	\$ 229,578,930	\$ 229,579,430	\$ 289,500,000	<p>a. Senate includes \$194,000,000 in GR for Student Success Initiative. \$104 million directed to school districts for activities aimed and prevention of academic failure and intervention related to state assessments. \$90 million to be allocated by the Commissioner for programs preventing academic failure, including Algebra Readiness, Literacy Academies, Math Academies, professional development, middle grades initiatives, and other programs. (See also Senate Rider #58, III-17, Rider Packet page III-12.)</p> <p>b. Senate includes \$50,000,000 in GR for Dropout Prevention and Intervention, program allocation to be determined by the Commissioner (See also Senate Rider #59, III-17, Rider Packet page III-13.)</p> <p>c. House includes \$1,500,000 in GR for Texas AIM. (See also House Rider #52, III-15, Rider Packet page III-7.)</p> <p>d. Senate includes \$32,000,000 in GR for High School Initiatives. Funding directed to fund early college high schools, T-STEM activities, and the Texas AP Initiative. (See also Senate Rider #62, III-18, Rider Packet page III-14.)</p>

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A.2.2, Achievement of Students at Risk	\$ 1,534,272,434	\$ 1,566,143,860	\$ 1,533,022,434	\$ 1,564,893,860	\$ 2,500,000	<p>e. Senate includes \$15,000,000 in GR for Texas School Ready (Early Childhood School Readiness). (See also Senate Rider #55, III-16, Rider Packet page III-9.)</p> <p>House includes \$2,500,000 in GR for Amachi. (See also House Rider #51, III-15, Rider Packet page III-7.)</p>
A.2.4, School Improvement and Support	\$ 148,767,643	\$ 149,188,414	\$ 145,129,377	\$ 145,129,377	\$ 7,697,303	<p>a. House includes \$34,197,303 for Regional Education Service Center formula funding. (See also House Rider #38, III-13, Rider Packet page III-5.)</p> <p>Senate includes \$20,000,000 for the same purpose. (See also Senate Rider #39, III-13, Rider Packet page III-5.)</p> <p>b. Senate includes \$6,500,000 for Campus Intervention and Turnaround and Charter Technical Assistance with up to \$1,500,000 reserved for financial and productivity tools. (See also Senate Rider #60, III-17, Rider Packet page III-13.)</p>

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A.2.5, Adult Education and Family Literacy	\$ 74,674,914	\$ 74,674,914	\$ 73,924,914	\$ 73,924,914	\$ 1,500,000	House includes \$20,271,400 in GR for Adult Basic Education. (See also House Rider #35, III-12, Rider Packet page III-4.) Senate Includes \$18,771,400 in GR for the same purpose. (See also Senate Rider #35, III-12, Rider Packet page III-4.)
B.2.1, Technology and Instructional Materials	\$ 324,528,971	\$ 16,413,739	\$ 718,028,971	\$ 20,913,739	\$ 398,000,000	a. Senate includes \$697,131,436 for Instructional Materials to fund continuing contracts and Proclamation 2011, excluding prekindergarten systems. (See also Senate Rider #8, III-7, Rider Packet page III-2.) House includes \$308,131,436 for Instructional Materials to fund continuing contracts. (See also House Rider #8, III-7, Rider Packet page III-2.) b. Senate includes \$9,000,000 in GR to support the operation of the Virtual School Network with up to \$1,000,000 reserved to establish Virtual High Schools. (See also Senate Rider #61, III-18, Rider Packet page III-14.)
B.2.2, Health and Safety	\$ 14,105,294	\$ 14,148,895	\$ 15,855,294	\$ 14,148,895	\$ 1,750,000	Senate includes \$1,750,000 for Steroid Testing. (See also Senate Rider #52, III-15, Rider Packet page III-7.)

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B.2.4, Windham School District	\$ 57,187,624	\$ 57,187,623	\$ 41,768,600	\$ 41,768,600	\$ 30,838,047	House provides \$114,375,247 in GR for Windham School District. Senate provides \$83,537,200 in GR for the similar purposes.
B.3.1, Improving Educator Quality and Leadership	\$ 241,129,847	\$ 241,129,846	\$ 311,129,847	\$ 311,129,846	\$ 140,000,000	a. Senate includes \$125,000,000 for the District Awards for Teacher Excellence (DATE) program. (See also Senate Rider #54, III-16, Rider Packet page III-9.) b. Senate includes \$10,000,000 for educator mentoring. (See also Senate Rider #57, III-17, Rider Packet page III-12.) c. House includes \$3,000,000 for Teach for America. (See also House Rider #53, III-15, Rider Packet page III-8.) Senate includes \$8,000,000 for the same purpose. (See also Senate rider #56, III-17, Rider Packet page III-8.)
Agency Administrative Budget Strategies B.3.2 through B.3.6	\$ 123,003,498	\$ 120,301,618	\$ 130,333,046	\$ 127,614,964	\$ 14,642,894	a. House includes \$243,305,117, All funds, (\$123,667,727 in GR) to support agency administration (across strategies). This funding level will support 690.0 FTEs. Senate includes \$257,948,010, All Funds, (\$138,310,620 in GR) for the same purposes. This funding level will support 795.0 FTEs.

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Strategy Level Informational Listing for Agency Administration						b. Senate includes a technical adjustment to reallocate funding among administrative strategies at the request of the agency.
<i>B.3.2, Agency Operations</i>	\$ 52,479,837	\$ 52,246,014	\$ 56,082,459	\$ 55,848,636	\$ 7,205,244	
<i>B.3.3, State Board for Educator Certification Operations</i>	\$ 4,709,664	\$ 4,709,664	\$ 5,592,726	\$ 5,592,726	\$ 1,766,124	
<i>B.3.4, Central Administration</i>	\$ 12,080,939	\$ 12,071,933	\$ 13,160,947	\$ 13,151,940	\$ 2,160,015	
<i>B.3.5, Information Systems-Technology</i>	\$ 33,658,058	\$ 31,199,007	\$ 35,421,914	\$ 32,946,663	\$ 3,511,512	
<i>B.3.6, Certification Exam Administration</i>	\$ 20,075,000	\$ 20,075,000	\$ 20,075,000	\$ 20,075,000	\$ -	
Rider Appropriation, Education Jobs Fund			\$ 830,820,460	\$ -	\$ 830,820,460	Senate includes a contingent appropriation of \$830,820,460 from the federal Education Jobs Fund contingent on amendment of federal law allowing for an allocation. (See also Senate Rider #53, III-16, Rider Packet page III-8).
Communities in Schools	Rider 24 III-10 Rider Packet page III-3		Rider 24 III-10 Rider Packet page III-3			House includes \$100,000 transfer authority for TEA administration.
Reimbursement for Classroom Supplies			Rider 38 III-13 Rider Packet page III-5			Senate includes rider requiring Commissioner to establish program and allowing funding from federal consolidated administrative funds.

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	2012	2013	2012	2013		
Funding for Regional Education Service Centers		Rider 38 III-13 Rider Packet page III-5		Rider 39 III-13 Rider Packet page III-5		House directs revision of the RESC funding formula to allow no more than 1/3 of funds to be disbursed based on statutory criteria for funding and directs remainder be distributed based on geographic characteristics and the size of school districts served. Senate directs formula revision to prioritize small and rural school districts and to factor in RESC fund balances. Senate establishes annual reporting requirement for RESCs on financial and program detail.
Foundation School Program Reduction and Contingency for SB 22, Foundation School Program.		Rider 49 III-15 Rider Packet page III-6		Rider 50 III-15 Rider Packet page III-6		House includes rider indicating that appropriations in Strategy A.1.1, FSP-Operations assume enactment of legislation enacting reductions to the school finance formulas such that the appropriation represents full entitlement. Senate includes contingency for SB 22 that would reduce appropriations in Strategy A.1.1, FSP-Operations by \$2,655,000,000 in each fiscal year if SB 22 fails to be enacted.
Teach for America		Rider 53 III-15 Rider Packet page III-8		Rider 56 III-17 Rider Packet page III-8		House includes language directing that at least 375 TFA teachers be employed in Texas schools and that funding be limited to support for teachers of mathematics.

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Perkins Reserve Fund Distribution		Rider 54 III-16 Rider Packet page III-8				Senate includes language directing that at least 1000 TFA teachers be employed in Texas schools. House directs TEA to include the percentage of a school district's CTE courses that meet regional labor market need for the district's region as a criterion for allocation of funds from the federal Perkins Reserve Fund.
Contingency for HB 275: Priority for Additional Funding in Article III.		Rider 55 III-16 Rider Packet page III-10				House includes language indicating that \$2,000,000,000 of the General Revenue appropriation in Strategy A.1.1, FSP-Operations is contingent on HB 275.
Public School Counselor Report		Rider 56 III-16 Rider Packet page III-11		Rider 64 III-19 Rider Packet page III-11		House includes rider requiring a report on the duties of public school counselors. Rider requires inclusion of all full-time and part-time public school counselors and teachers performing duties of a counselor and includes schedule changes and group counseling in the list of duties to be studied. Senate includes rider requiring a report on the duties of public school counselors. Rider requires inclusion of a representative same of counselors and limits expenditures for conducting the study to \$250,000 for the biennium.

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Windham School District: Pilot Programs and Alternative Organization Report.			Rider 63 III-18 Rider Packet page III-15			Senate includes rider requiring the Commissioner to allocate funds appropriated in Strategy B.2.4, Windham School District, for a pilot in computer adaptive intensive math and reading programs and in virtual learning options, a pilot in substance abuse treatment and behavioral health programs, and an investigation on alternative organizational structures for the Windham School District with a report required.
Online College and Career Pilot Program.			Rider 65 III-19 Rider Packet page III-15			Senate includes rider directing \$1,500,000 annually from funds appropriated above to continue the Online College and Career Pilot program.
Contingency for HB 6/SB 6	Rider 8 III-7 Rider Packet page III-2		Rider 66 III-19 Rider Packet page III-16			House includes language in Rider 8 making an unspecified appropriation to fund the Instructional Materials Allotment contingent on enactment of HB 6. Senate includes a contingency rider directing that \$697,131,436 in General Revenue directed in Rider 8 to fund continuing contracts and Proclamation 2011 shall be reallocated to fund the Instructional Materials Allotment contingent on enactment of SB 6.

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	2012	2013	2012	2013		
<p><u>School for the Blind and Visually Impaired</u></p> <p>Scheduled Exempt Position</p>		III-17		III-19		<p>Senate provides authority to add the superintendent position to Article IX, Sec. 3.05 (c) Schedule of Exempt positions, allowing the governing board to request an increase to the superintendent's salary within the Group 4 salary range, for approval by the LBB and Governor.</p>

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	2012	2013	2012	2013		
<u>Texas School for the Deaf</u> Scheduled Exempt Position		III-20		III-23		Senate provides authority to add the superintendent position to Article IX, Sec. 3.05 (c) Schedule of Exempt positions, allowing the governing board to request an increase to the superintendent's salary within the Group 4 salary range, for approval by the LBB and Governor.

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<u>TEACHER RETIREMENT SYSTEM</u>		III-23		III-26		The amounts shown for the state contribution rate for public and higher education retirement reflect a net difference of \$6.0 million in General Revenue and \$0.6 million in General Revenue-Dedicated.
A.1.1, TRS - Public Education Retirement	\$ 1,349,515,880	\$ 1,376,506,198	\$ 1,323,054,784	\$ 1,411,258,437	\$ 8,291,143	House provides \$2,726.0 million in General Revenue for a state contribution rate of 6.0 percent for each year of the 2012-13 biennium and assumes a 2.0 percent annual payroll growth. (See also House Rider #4, III-25, Rider Packet page III-17.) Senate provides \$2,734.3 million in General Revenue for a state contribution rate of 6.0 percent for fiscal year 2012 and 6.4 percent for fiscal year 2013 and assumes no annual payroll growth. (See also Senate Rider #4, III-28, Rider Packet page III-17.)

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A.1.2, TRS - Higher Education Retirement	\$ 252,389,009	\$ 259,771,256	\$ 245,202,085	\$ 265,348,271	\$ 1,609,909	House provides \$298.0 million in General Revenue (\$512.2 million in All Funds) for a state contribution rate of 6.0 percent for each year of the 2012-13 biennium and assumes a 3.0 percent annual payroll growth. (See also House Rider #4, III-25, Rider Packet page III-17.) Senate provides \$295.8 million in General Revenue (\$510.6 million in All Funds) for a state contribution rate of 6.0 percent for fiscal year 2012 and 6.4 percent for fiscal year 2013 and assumes no annual payroll growth. (See also Senate Rider 4, III-28, Rider Packet page III-17.)
A.1.3, Administrative Operations	\$ 63,251,518	\$ 63,251,518	\$ 88,251,518	\$ 63,251,518	\$ 25,000,000	Senate provides for \$25.0 million in the 2012-13 biennium from pension trust funds to overhaul the agency's computerized benefit delivery system.
A.2.1, Retiree Health - Statutory Funds	\$ 136,349,002	\$ 139,075,982	\$ 267,350,984	\$ 133,675,493	\$ 125,601,493	House provides \$275.4 million in General Revenue for a state contribution rate of 0.5 percent for each year of the 2012-13 biennium and assumes a 2.0 percent annual payroll growth. (See also House Rider #5, III-26, Rider Packet page III-17.)

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	2012	2013	2012	2013		
State Contribution to Teacher Retirement Program.	III-25, Rider #4 Rider Packet, page III-17		III-28, Rider #4 Rider Packet, page III-17			Senate provides \$401.0 million in General Revenue for a state contribution rate of 1.0 percent for fiscal year 2012 and 0.5 percent for fiscal year 2013 and assumes no annual payroll growth. (See also Senate Rider #5, III-28, Rider Packet page III-17.)
State Contribution to Texas Public School Retired Employees Group Insurance Program.	III-25, Rider #5 Rider Packet, page III-17		III-28, Rider #5 Rider Packet, page III-17			Rider reflects the state contribution rate adopted for public education and higher education retirement.
Limitation on General Revenue Fund Retirement contributions to Public Community/Junior Colleges.	III-26, Rider #13 Rider Packet, page III-18		III-29, Rider #13 Rider Packet, page III-18			Rider reflects the limitation of unrestricted General Revenue for pension benefit contributions for public community and junior colleges (House provides 6.0 percent each year; Senate provides 6.0 percent for fiscal year 2012 and 6.4 percent for fiscal year 2013).
Enterprise Application Modernization.			III-30, Rider #15 Rider Packet, page III-18			Senate provides for \$25.0 million from pension trust funds in the 2012-13 biennium to begin a business process reengineering of TRS' current benefits delivery system.

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	2012	2013	2012	2013		
Texas Public School Retired Employees Group Insurance Program Study.			III-30, Rider #16 Rider Packet, page III-18			Senate includes rider instructing TRS to conduct a study of the current design and funding of the TRS-Care insurance program and report to the legislature potential changes to improve sustainability of the program.
Contingency Appropriation: Funding for the Teacher Retirement System for Public Education and Higher Education Retirement.			III-30, Rider #17 Rider Packet, page III-19			Senate adds contingency rider for legislation that would temporarily suspend, in fiscal year 2012, the requirement that the state retirement contribution be no less than the contribution rate required by active members.
Contingency Appropriation: Funding for the Texas Public School Retired Employees Group Insurance Program.			III-30, Rider #18 Rider Packet, page III-19			Senate adds a contingency rider relating to legislation reducing the statutory contribution rate from 1.0 percent to 0.5 percent to TRS-Care and re-appropriating any excess appropriation for public education and higher education retirement and retiree insurance to the TRS-Care insurance trust fund.
Legislative Intent Relating to Retiree Health Insurance Premiums.			III-30, Rider #19 Rider Packet, page III-19			Senate adds a rider expressing legislative intent that the TRS board of trustees refrain from taking any action that would increase retiree health insurance premiums for the 2012-13 biennium.

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	2012	2013	2012	2013		
<u>Optional Retirement Program</u>		III-26		III-30		
A.1.1, Optional Retirement Program	\$ 127,960,335	\$ 130,802,561	\$ 123,952,988	\$ 123,952,987	\$ 10,856,921	<p>House provides \$214.9 million in General Revenue (\$258.8 million in All Funds) for a state contribution rate of 6.0 percent for each year of the 2012-13 biennium and assumes a 2.0 percent annual payroll growth.</p> <p>Senate provides \$205.3 million in General Revenue (\$247.9 million in All Funds) for a state contribution rate of 6.0 percent for each year of the 2012-13 biennium and assumes no annual payroll growth.</p>