

**Issue Docket**

**Conference Committee on House Bill 1**

**2024-25 General Appropriations Bill**

**Article III - Public Education**

703 TEXAS EDUCATION AGENCY

Item	House 2024-25	Senate 2024-25	Biennial Difference	Explanation
<p><b>Technical Adjustments</b> Foundation School Program Funding - Update to Current Law Estimates</p>				<p>Increase appropriations to the Foundation School Program (FSP) in the 2024-25 biennium by an additional \$849.8 million from the Foundation School Fund, No. 193 (General Revenue) to fully fund the current law estimate based on updated budget drivers including property values and enrollment growth.</p> <p>Other Method of Finance changes within the FSP contributing to the net increase in the Foundation School Fund include a \$431.6 million decrease in Recapture Revenue; a \$175.3 million decrease in the Property Tax Relief Fund; a \$73.0 million increase in the Available School Fund; a \$379.7 million increase in the Tax Reduction and Excellence in Education Fund; and an increase of \$71.6 million in Lottery Proceeds.</p> <p>Amend the sum-certain appropriation identified in Rider 3, Foundation School Program Funding, accordingly.</p> <p>Amend the state compression percentage reduction identified in Rider 3, Foundation School Program Funding, to 8.25 percent.</p> <p>Amend House Rider 81 and Senate Rider 80 sections (a) and (b) to reflect the new current law property tax compression amounts. Add new section (f) to reflect the state cost of biennializing the property tax relief provided under SB1, Eighty-seventh Legislature, Third Called Session.</p>
<p><b>Funding Differences</b> Appropriations Made in Riders</p>	<p>III-I \$ 2,611,722</p>	<p>III-I \$ -</p>	<p>\$ 2,611,722</p>	<p>The House provides \$2.6 million for Fentanyl Contamination Training.</p>

Item	House 2024-25	Senate 2024-25	Biennial Difference	Explanation
A.1.1 FSP - EQUALIZED OPERATIONS	\$ 59,691,058,520	\$ 62,087,049,520	\$ 2,395,991,000	The Senate appropriates \$9.8 billion for property tax compression above current law contingent upon passage of SB 3, SB 4, SB 5, and SJR 3, or similar legislation. The House appropriates \$12.0 billion for property tax compression above current law contingent upon passage of HB 2 and HJR 1, or similar legislation. Recapture was adjusted for property tax relief proposed by HB 2; but not for SB 3, SB 4, & SB 5. Therefore, the All Funds strategy total differs by an amount greater than the difference between the property tax relief packages proposed by each chamber.
A.2.1 STATEWIDE EDUCATIONAL PROGRAMS	\$ 502,662,608	\$ 502,162,608	\$ 500,000	<p>a) The House provides \$7.5 million in funding for the Kindergarten Readiness Grant.</p> <p>b) The Senate provides \$7.0 million in additional funding for the Mobile STEM Laboratory Grant Program for a total of \$7.5 million. The House provides \$0.5 million for the Mobile STEM Laboratory Grant Program.</p>
A.2.2 ACHIEVEMENT OF STUDENTS AT RISK	\$ 3,885,874,004	\$ 3,890,874,004	\$ 5,000,000	The Senate provides \$5.0 million in additional funding for Amachi for a total of \$10.0 million. The House provides \$5.0 million for Amachi.
A.2.3 STUDENTS WITH DISABILITIES	\$ 2,500,822,056	\$ 2,505,822,056	\$ 5,000,000	The Senate provides \$5.0 million in funding for a grant program for Adaptive Equipment for students with disabilities.
A.2.4 SCHOOL IMPROVEMENT & SUPPORT PGMS	\$ 625,222,144	\$ 626,722,144	\$ 1,500,000	<p>a) The Senate provides \$1.0 million in additional funding for the Best Buddies program for a total of \$2.0 million. The House provides \$1.0 million for Best Buddies.</p> <p>b) The Senate provides \$0.5 million in additional funding for the Fatherhood and Parental Involvement in Literacy Campaign for a total of \$1.0 million. The House provides \$0.5 million for Fatherhood and Parental Involvement in Literacy Campaign.</p>

Item	House 2024-25	Senate 2024-25	Biennial Difference	Explanation
B.2.2 HEALTH AND SAFETY	\$ 38,083,464	\$ 34,411,500	\$ 3,671,964	The Senate reduces funding by \$3.7 million for the Child ID program for a total of \$1.0 million. The House provides \$4.7 million for Child ID.
B.2.4 WINDHAM SCHOOL DISTRICT	\$ 131,488,883	\$ 133,314,005	\$ 1,825,122	The Senate provides \$1.8 million in additional funding for Windham School District for a total of \$133.3 million. The House provides \$131.5 million for Windham School District.
B.3.1 IMPROVING EDUCATOR QUALITY/LDRSP	\$ 508,639,486	\$ 513,639,486	\$ 5,000,000	The Senate provides \$5.0 million for the Uteach for Texas Initiative.
B.3.2 AGENCY OPERATIONS	\$ 151,964,434	\$ 152,474,434	\$ 510,000	a) The Senate provides \$0.1 million for the Texas 1836 Project Pamphlet project. b) The Senate provides \$0.4 million for the Texas 1836 Project.
B.3.4 CENTRAL ADMINISTRATION	\$ 36,481,446	\$ 40,281,446	\$ 3,800,000	The Senate provides \$3.8 million for space planning and utilization for TEA.
B.3.5 INFORMATION SYSTEMS - TECHNOLOGY	\$ 156,320,291	\$ 167,571,461	\$ 11,251,170	The Senate provides \$11.2 million for Information Systems deferred maintenance.
<b>Rider Differences</b>				
Educator Quality and Leadership		III-16, Rider 39 Rider Packet Page III-1		The Senate includes \$500,000 from funds already appropriated in Strategy B.3.1, Improving Educator Quality and Leadership, for the 2024-25 biennium for the development and implementation of a Digital Teaching Micro-Credential to recognize educator readiness and skill in delivering virtual education with excellence and geared toward student success.
Best Buddies	III-23, Rider 60 Rider Packet Page III-2			The House includes a rider appropriating \$1.0 million for the Best Buddies program.

Item	House 2024-25	Senate 2024-25	Biennial Difference	Explanation
Mobile STEM Laboratory Grant Program	III-24, Rider 66 Rider Packet Page III-2	III-24, Rider 65 Rider Packet Page III-2		The Senate provides \$7.0 million in additional funding for the Mobile STEM Laboratory Grant Program for a total of \$7.5 million. The Senate provides that \$3.5 million is appropriated to support additional infrastructure for eight additional mobile STEM labs and \$4.0 million is for grant funding. The House provides \$0.5 million for grants for the Mobile STEM Laboratory Grant Program.
Property Tax Relief	III-27, Rider 81 Rider Packet Page III-2	III-28, Rider 80 Rider Packet Page III-2		The House appropriates \$12.0 billion for property tax relief contingent on the enactment of HB 2 and HJR 1, or similar legislation. The Senate appropriated \$9.8 billion contingent on SB 3, SB 4, SB 5, and SJR 3, or similar legislation.
Public Education Funding Increases	III-28, Rider 82 Rider Packet Page III-4			The House includes a rider that appropriates \$5.0 billion for public education funding increases. The rider lists possible strategies including increased funding for teacher compensation, school safety, special education, curriculum, and a basic allotment increase.
Texas 1836 Project		III-29, Rider 82 Rider Packet Page III-4		The Senate includes a rider appropriating \$0.4 million for the Texas 1836 Project.
Uteach		III-29, Rider 83 Rider Packet Page III-4		The Senate includes a rider appropriating \$5.0 million for the Uteach for Texas Initiative.
Space Planning and Utilization		III-29, Rider 84 Rider Packet Page III-5		The Senate includes a rider appropriating \$3.8 million for space planning and utilization to allow for consolidation of TEA into no more than five floors of the Travis building.
Prohibition on Use of Appropriated Money for School Vouchers or Other Similar Programs	III-28, Rider 84 Rider Packet Page III-5			The House includes a rider stating that money appropriated in this Act may not be used to pay for or support a school voucher, education savings account, or tax credit scholarship program or a similar program through which a child may use state money for nonpublic primary or secondary education.

Item	House 2024-25	Senate 2024-25	Biennial Difference	Explanation
Required Posting of Certain Information by Open-Enrollment Charter Schools	III-28, Rider 85 Rider Packet Page III-5			The House includes a rider stating that each open-enrollment charter school shall post on the school's Internet website certain information regarding the school relating to academic performance, alternative education accountability procedures and student demographics.
Texas 1836 Project Pamphlet		III-29, Rider 85 Rider Packet Page III-6		The Senate includes a rider appropriating \$0.1 million for the Texas 1836 Project Pamphlet project.
Contingency for Senate Bills 8, 9, 11, 1474, & 2565		III-29, Rider 86 Rider Packet Page III-6		The Senate appropriates \$5.0 billion for public education funding increases contingent on the passage of SB8, SB9, SB11, SB1474, SB2565, or similar legislation related to establishment of an education savings account program, increased funding for teacher compensation, school safety, special education, and instructional materials.
Fentanyl Contamination Training	III-29 Rider 86 Rider Packet Page III-7			The House includes a rider appropriating \$2.6 million for Fentanyl Contamination Training.
Kindergarten Readiness Grant Program	III-29 Rider 87 Rider Packet Page III-8			The House includes a rider appropriating \$7.5 million in funding for the Kindergarten Readiness Grant.
Projects and Grants at the Texas Education Agency		III-30, Rider 87 Rider Packet Page III-10		The Senate includes a rider appropriating \$2.0 million for Best Buddies and \$5.0 million to contract with a non-profit organization that provides adaptive equipment for children with multiple disabilities in Harris County and the Dallas-Fort Worth Metroplex.
Contingency for Senate Bill ___		III-30, Rider 88 Rider Packet Page III-10		The Senate includes a rider that would increase the funding for Strategy A.1.1, FSP - Equalized Operations, and amend the sum-certain appropriation identified in Rider 3 by an appropriate amount contingent upon passage of legislation related to enrichment tax rates for certain school districts.

Item	House 2024-25	Senate 2024-25	Biennial Difference	Explanation
Implementation of the High School Equivalency Subsidy Program	III-30, Rider 88 Rider Packet Page III-11			The House includes a rider stating that it is the intent of the legislature that the Texas Education Agency use appropriated funds to implement the high school equivalency subsidy program.

**706 TEXAS PERMANENT SCHOOL FUND CORPORATION**

<b>Item</b>	<b>House 2024-25</b>	<b>Senate 2024-25</b>	<b>Biennial Difference</b>	<b>Explanation</b>
<b>Technical Adjustments</b> Limitation on Funds Appropriated to the Permanent School Fund Corporation (PSFC)	III-30  III-32 Rider #7	III-30  III-32 Rider #6		The adjustment would clarify that the prohibition on the use of funds applies only to funds appropriated and further clarifies that office space may only be leased from a state agency.
<b>Rider Differences</b> Exception to Appropriation for Board Fiduciary Finding	III-32 Rider #6 Rider Packet page III-12			The House includes a rider authorizing the Permanent School Fund Corporation (PSFC) to expend additional funds and employ additional FTEs above those appropriated if the PSFC Board issues a fiduciary finding.



**771 SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED**

<b>Item</b>	<b>House 2024-25</b>	<b>Senate 2024-25</b>	<b>Biennial Difference</b>	<b>Explanation</b>
A.1.4 RELATED AND SUPPORT SERVICES	III-33 \$ 13,609,240	III-32 \$ 14,809,240	\$ 1,200,000	a) The Senate provides \$0.7 million for student transportation funding.
				b) The Senate provides \$0.5 million for playground accessibility upgrades. The House provides \$0.5 million for this purpose in the supplemental bill.
D.1.2 OTHER SUPPORT SERVICES	\$ 2,289,388	\$ 4,689,388	\$ 2,400,000	The Senate provides \$2.4 million for emergency power generation and security equipment. In the supplemental bill, the House provides \$2.4 million for these items and \$0.1 million for video surveillance software.

**772 SCHOOL FOR THE DEAF**

Item	House 2024-25	Senate 2024-25	Biennial Difference	Explanation
D.1.3 FACILITY CONSTRUCT., REPAIR & REHAB	III-37 \$ -	III-36 \$ 9,776,304	\$ 9,776,304	The Senate provides \$9.8 million in additional funding for ACCESS classroom expansion and campus security entrance renovation. The House provides \$9.8 million for these purposes in the supplemental bill.

**S20 SPECIAL PROVISIONS FOR THE SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED AND SCHOOL FOR THE DEAF**

<b>Item</b>	<b>House 2024-25</b>	<b>Senate 2024-25</b>	<b>Biennial Difference</b>	<b>Explanation</b>
No Issues				

**323 TEACHER RETIREMENT SYSTEM**

Item	House 2024-25	Senate 2024-25	Biennial Difference	Explanation
A.1.4 TRS RETIREMENT-ADDITIONAL PAYMENT	III-40 \$ -	III-40 \$ 3,717,000,000	\$ 3,717,000,000	The Senate includes \$3.7 billion of funding for a scaled onetime cost of living adjustment (COLA) for TRS retirees and a onetime \$7,500 supplemental payment for certain retirees. The Senate includes an additional \$1.0 billion of funding for this purpose in Senate Bill 30, as engrossed. The House includes \$4.4 billion of funding for a scaled onetime COLA for TRS retirees, a onetime \$5,000 supplemental payment for certain retirees, and an ongoing gain-sharing COLA in Senate Bill 30, as engrossed in the 2nd house. The House includes \$3.45 billion of funding for this purpose in CSHJR 2.
A.3.1 ACTIVE EMPLOYEE HEALTHCARE	\$ 875,421,000	\$ 588,518,000	\$ 286,903,000	The Senate includes funding to maintain ActiveCare premiums increasing by less than 10.0 percent per fiscal year. The House includes funding to maintain ActiveCare premiums increasing with medical trends, at approximately 5.0 percent per fiscal year.
Contingent Appropriation for Teacher Retirement System (TRS) Additional Regional Office		III-44 Rider #21 Rider Packet page III-14		The Senate includes a rider authorizing TRS to expend additional funds and employ additional FTEs above those appropriated if it is found necessary to open an additional regional office.
Analysis of High-Cost Hospital Claims	III-45 Rider #21 Rider Packet page III-14			The House includes a rider instructing TRS to engage a third-party vendor to conduct a review of hospital claims that exceeded \$100,000 in fiscal year 2022 to determine potential cost savings.
Contingency for Senate Bill 10		III-45 Rider #22 Rider Packet page III-14		The Senate includes a contingency rider for Senate Bill 10 or similar legislation relating to benefits paid by TRS. (See Strategy A.1.4.)

**32C OPTIONAL RETIREMENT PROGRAM**

<b>Item</b>	<b>House 2024-25</b>	<b>Senate 2024-25</b>	<b>Biennial Difference</b>	<b>Explanation</b>
No Issues	III-45	III-45		

**Permanent School Fund Corporation**  
**Proposed Funding and Rider**  
**Limitation on Facilities Funding**

Prepared by LBB Staff, 4/20/2023

**Overview**

Technical adjustment to rider prohibiting the use of appropriations to lease office space from a non-state entity.

**Required Action**

**Senate**

On page III-32 of the Permanent School Fund Corporation bill pattern, amend rider 6 as follows:

**6. Limitation on Funds Appropriated to the Permanent School Fund Corporation (PSFC).**

(a) Notwithstanding any other provision of this Act, none of the funds appropriated by this Act ~~or, including funds appropriated from Permanent School Fund Account No. 44~~ may be used for the purpose of leasing or renting ~~privately-owned~~ office space from an entity unless the entity is appropriated funds under this Act.

(b) It is the intent of the Legislature that funds appropriated above and funds from the Permanent School Fund Account No. 44 may not be used for the purposes of renting or leasing office space from an entity not receiving an appropriation under this Act. ~~shall be used exclusively for state-owned building space.~~

**House**

On page III-32 of the Permanent School Fund Corporation bill pattern, amend rider 7 as follows:

**7. Limitation on Funds Appropriated to the Permanent School Fund Corporation (PSFC).**

(a) Notwithstanding Rider 6, Exception to Appropriation for Board Fiduciary Finding, none of the funds appropriated by this ~~or, including funds appropriated from the Permanent School Fund Account No. 44~~ may be used for the purpose of leasing or renting ~~privately-owned~~ office space from an entity unless the entity is appropriated funds under this Act.

(b) It is the intent of the Legislature that funds appropriated above and funds from the Permanent School Fund Account No. 44 may not be used for the purposes of renting or leasing office space from an entity not receiving an appropriation under this Act. ~~shall be used exclusively for state-owned building space.~~