

Rider Comparison Packet

Conference Committee on House Bill 1

2024-25 General Appropriations Bill

Article III – Public Education

TEXAS EDUCATION AGENCY

Differences Only - Excludes Capital

House

Senate

39. Educator Quality and Leadership. Out of General Revenue Funds appropriated above in Strategy B.3.1, Improving Educator Quality and Leadership, the Commissioner shall expend \$14,500,000 in fiscal year 2024 and \$14,500,000 in fiscal year 2025 for initiatives that will systematically transform educator quality and effectiveness statewide through improved teacher and principal hiring and recruitment, mentoring, preparation including standards related to educator preparation and program quality, induction, evaluation, professional development, including micro-credential certification programs, career pathways, and retention. The Commissioner shall ensure that funds directed by this rider are allocated in a manner that maximizes receipt of federal grant funding for similar purposes.

From amounts referenced in the paragraph above, the Commissioner shall set aside funds for the following purposes:

- a. \$5,000,000 for the 2024-25 biennium to implement standards on educator quality, including standards related to educator preparation and principal quality;
- b. \$2,000,000 for the 2024-25 biennium for Humanities Texas to support the Teacher Institute program targeting teachers in their first or second year of service in geographic areas with low student achievement on state assessments; and
- c. \$14,500,000 for the 2024-25 biennium to support Innovative Programs that support educator development or increase achievement outcomes based on a proven and demonstrable track record of improving student, campus, and district achievement, such as Math Innovation Zones and Replicating Great Options. The Commissioner shall require any entity with which the Texas Education Agency contracts for purposes of administering Innovative Programs to provide any expenditure and performance data deemed necessary to assess the success of the program.

Any unexpended balances as of August 31, 2024, are appropriated to fiscal year 2025 for the same purpose.

39. Educator Quality and Leadership. Out of General Revenue Funds appropriated above in Strategy B.3.1, Improving Educator Quality and Leadership, the Commissioner shall expend \$14,500,000 in fiscal year 2024 and \$14,500,000 in fiscal year 2025 for initiatives that will systematically transform educator quality and effectiveness statewide through improved teacher and principal hiring and recruitment, mentoring, preparation including standards related to educator preparation and program quality, induction, evaluation, professional development, including micro-credential certification programs, career pathways, and retention. The Commissioner shall ensure that funds directed by this rider are allocated in a manner that maximizes receipt of federal grant funding for similar purposes.

From amounts referenced in the paragraph above, the Commissioner shall set aside funds for the following purposes:

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- (b) \$2,000,000 for the 2024-25 biennium for Humanities Texas to support the Teacher Institute program targeting teachers in their first or second year of service in geographic areas with low student achievement on state assessments; and
- (c) \$14,500,000 for the 2024-25 biennium to support Innovative Programs that support educator development or increase achievement outcomes based on a proven and demonstrable track record of improving student, campus, and district achievement, such as Math Innovation Zones and Replicating Great Options. The Commissioner shall require any entity with which the Texas Education Agency contracts for purposes of administering Innovative Programs to provide any expenditure and performance data deemed necessary to assess the success of the program.

- (d) \$500,000 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.

Any unexpended balances as of August 31, 2024, are appropriated to fiscal year 2025 for the same purpose.

TEXAS EDUCATION AGENCY

Differences Only - Excludes Capital

(Continued)

House

Senate

60. Best Buddies. From funds appropriated above in Strategy A.2.4, School Improvement and Support Programs, the Commissioner shall allocate \$500,000 in each fiscal year of the 2024-25 biennium to support the Best Buddies program.

Any unexpended balances as of August 31, 2024, are appropriated to fiscal year 2025 for the same purpose.

66. Mobile STEM Laboratory Grant Program. Out of the General Revenue funds appropriated above in Strategy A.2.1, Statewide Educational Programs, the Commissioner shall allocate \$250,000 in fiscal year 2024 and \$250,000 in fiscal year 2025 to provide grants for a mobile science, technology, engineering, and math (STEM) laboratory grant program. Any unexpended balances as of August 31, 2024, are appropriated to fiscal year 2025 for the same purpose.

65. Mobile STEM Laboratory Grant Program. Out of the General Revenue funds appropriated above in Strategy A.2.1, Statewide Educational Programs, the Commissioner shall allocate \$3,500,000 in the 2024-25 biennium to support additional infrastructure for eight additional mobile STEM labs, in addition to \$750,000 in fiscal year 2024 and \$3,250,000 in fiscal year 2025 to provide grants for a mobile science, technology, engineering, and math (STEM) laboratory grant program.

Any unexpended balances as of August 31, 2024, are appropriated to fiscal year 2025 for the same purpose.

81. Property Tax Relief.

- (a) Out of amounts appropriated above in Strategy A.1.1, an estimated \$3,118,000,000 for the 2024-25 biennium is appropriated from Foundation School Fund No. 193 for compression of district property tax rates due to district property value growth, pursuant to Education Code, Sections 48.2551 and 48.2552 (a) and (b).
- (b) Out of amounts appropriated above in Strategy A.1.1 and in addition to amounts in Subsection (a), an estimated \$2,156,100,000 for the 2024-25 biennium is appropriated from

80. Property Tax Relief.

- (a) Out of amounts appropriated above in Strategy A.1.1, an estimated \$3,118,000,000 for the 2024-25 biennium is appropriated from Foundation School Fund No. 193 for compression of district property tax rates due to district property value growth, pursuant to Education Code, Sections 48.2551 and 48.2552 (a) and (b).
- (b) Out of amounts appropriated above in Strategy A.1.1 and in addition to amounts in Subsection (a), an estimated \$2,156,100,000 for the 2024-25 biennium is appropriated from

TEXAS EDUCATION AGENCY

Differences Only - Excludes Capital
(Continued)

House

Foundation School Fund No. 193 to reduce the state compression percentage by 7.75 percent, due to state savings resulting from the limitation on district Maximum Compressed Rates during the prior biennium, pursuant to Education Code, Section 48.2552(c).

- (c) On September 1, 2023, the Comptroller of Public Accounts shall transfer from the General Revenue Fund into the Property Tax Relief Fund \$12,001,216,000.
- (d) Out of amounts transferred in Subsection (c), \$12,001,216,000 is appropriated in Strategy A.1.1 for the 2024-25 biennium out of the Property Tax Relief Fund for district property tax relief, contingent on the enactment of HB 2, or similar legislation related to providing property tax relief through the public school finance system and property tax appraisal and administration, and enactment of HJR 1 and subsequent voter approval of the associated constitutional amendment related to proposing a constitutional amendment to authorize the legislature to limit the maximum appraised value of real property for ad valorem tax purposes and to except certain appropriations to pay for ad valorem tax relief from the constitutional limitation on the rate of growth of appropriations, by the Eighty-eighth Legislature, Regular Session.
- (e) It is the intent of the Legislature that any property tax relief directed by Subsection (d) shall be structured so as to not exceed the limit provided under Texas Constitution, Article VIII, Section 22, Limitation on the Rate of Growth of Appropriations.

Senate

Foundation School Fund No. 193 to reduce the state compression percentage by 7.75 percent, due to state savings resulting from the limitation on district Maximum Compressed Rates during the prior biennium, pursuant to Education Code, Section 48.2552(c).

- (c) On September 1, 2023, the Comptroller of Public Accounts shall transfer from the General Revenue Fund into the Property Tax Relief Fund \$9,834,139,000.
- (d) Out of amounts transferred in Subsection (c), \$9,834,139,000 is appropriated in Strategy A.1.1 for the 2024-25 biennium out of the Property Tax Relief Fund for district property tax relief, contingent on the enactment of:
 - (1) SB 3, relating to an increase in the amount of certain exemptions from ad valorem taxation by a school district applicable to residence homesteads, an adjustment in the amount of the limitation on school district ad valorem taxes imposed on the residence homesteads of the elderly or disabled to reflect increases in the exemption amounts, and the protection of school districts against the resulting loss in local revenue, or similar legislation by the Eighty-eighth Legislature, Regular Session;
 - (2) SB 4, relating to the maximum compressed tax rate of a school district, or similar legislation by the Eighty-eighth Legislature, Regular Session;
 - (3) SB 5, relating to an exemption from ad valorem taxation of a portion of the appraised value of tangible personal property a person owns that is held or used for the production of income and a franchise tax credit for the payment of certain related ad valorem taxes or similar legislation by the Eighty-eighth Legislature, Regular Session; and
 - (4) SJR 3, proposing a constitutional amendment to increase the amount of the exemption of residence homesteads from ad valorem taxation by a school district and to adjust the amount of the limitation on school district ad valorem taxes imposed on the residence homesteads of the elderly or disabled to reflect increases in the exemption amount or similar legislation by the Eighty-eighth Legislature, Regular Session and subsequent voter approval of the associated constitutional amendment.
- (e) It is the intent of the Legislature that any property tax relief directed by Subsection (d) shall be structured so as to not exceed the limit provided under Texas Constitution, Article VIII,

TEXAS EDUCATION AGENCY

Differences Only - Excludes Capital
(Continued)

House

Senate

Section 22, Limitation on the Rate of Growth of Appropriations.

82. Public Education Funding Increases. Out of amounts appropriated above in Strategy A.1.1, Foundation School Program - Equalized Operations, \$5,000,000,000 shall be used to provide increased funding for school districts and charter schools, contingent upon actions of the Eighty-eighth Legislature, Regular Session. Possible strategies include, but are not limited to, funding for increased compensation and benefits for classroom teachers, including funding to offset an increase in member contributions to the Teacher Retirement System of Texas prescribed by this Act or other legislation of the 88th Legislature, Regular Session, 2023; 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; increased funding for school safety; increased funding for curriculum and/or the Instructional Materials and Technology Allotment under Education Code, Section 31.0211; and increased funding for Special Education under Education Code, Chapter 29 and Section 48.102.

82. Texas 1836 Project. Included in amounts appropriated above in Strategy B.3.2, Agency Operations, is \$230,000 in fiscal year 2024 and \$130,000 in fiscal year 2025 from General Revenue to produce a report and provide administrative support to the Texas 1836 Project Advisory Committee pursuant to Texas Government Code, Chapter 451.

Any unexpended balances as of August 31, 2024, are appropriated for fiscal year 2025 for the same purpose.

83. UTeach. Out of General Revenue funds appropriated in Strategy B.3.1, Improving Educator Quality and Leadership, the Commissioner of Education shall allocate \$2,500,000 in each fiscal year of the 2024-25 biennium to the UTeach for Texas Initiative administered by the UTeach Institute at the University of Texas at Austin to strengthen the recruitment, preparation, and

TEXAS EDUCATION AGENCY

Differences Only - Excludes Capital
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House

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retention of middle and high school teachers in science, technology, engineering and mathematics.

84. Space Planning and Utilization. It is the intent of the Legislature that the Texas Education Agency (TEA) shall maximize efficiency in space planning and utilization at its headquarters in the William B. Travis Building and shall vacate space used on two floors so that they may be utilized by other state agencies, resulting in long-term savings for the state. Accordingly, included in appropriations above in Strategy B.3.4, Central Administration, is \$3,800,000 from the General Revenue Fund in fiscal year 2024 for TEA to contract with the Texas Facilities Commission (TFC) or other entities as necessary for moving services, space configuration and minor construction, furniture, conference room technology, carpet replacement, secure entry points, and related expenses to achieve the consolidation of operations into no more than five floors before the end of the 2024-2025 biennium. The TEA and TFC shall submit a progress report to the Legislative Budget Board no later than July 1, 2024.

Any unexpended balances as of August 31, 2024, are appropriated for fiscal year 2025 for the same purpose.

84. Prohibition on Use of Appropriated Money for School Vouchers or Other Similar Programs.

Money appropriated by this Act may not be used to pay for or support a school voucher, including an education savings account, tax credit scholarship program, or a grant or other similar program through which a child may use state money for non- public primary or secondary education.

85. Required Posting of Certain Information by Open-Enrollment Charter Schools. Using money distributed to the school from funds appropriated above, each open-enrollment charter school shall post on the school's Internet website information regarding the school, including:

- (a) student academic performance;

TEXAS EDUCATION AGENCY

Differences Only - Excludes Capital

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House

Senate

- (b) whether the school is registered under the Texas Education Agency’s alternative education accountability procedures under Chapter 39, Education Code; and
- (c) student demographics, including the percentage of students enrolled in the school’s special education program.

85. Texas 1836 Project Pamphlet. Included in amounts appropriated above in Strategy B.3.2, Agency Operations, is \$75,000 in General Revenue funds in each fiscal year of the 2024-25 biennium to print and distribute the Texas 1836 Project pamphlet pursuant to Texas Government Code, Section 451.005.

Any unexpended balances as of August 31, 2024, are appropriated for fiscal year 2025 for the same purpose.

86. Contingency for Senate Bills 8, 9, 11, 1474, & 2565. Out of amounts appropriated above in Strategy A.1.1, Foundation School Program - Equalized Operations, \$5,000,000,000 shall be used to provide increased funding for school districts and charter schools, contingent on the enactment of the following bills:

- (a) SB 8, relating to public education, including parental rights and public school responsibilities regarding instructional materials and the establishment of an education savings account program, or similar legislation by the Eighty-eighth Legislature, Regular Session
- (b) SB 9, relating to the rights, certification, and compensation of public school educators and assistance provided to public schools by the Texas Education Agency related to public school educators and to certain allotments under the Foundation School Program, or similar legislation by the Eighty-eighth Legislature, Regular Session;
- (c) SB 11, relating to measures for ensuring safety and security in public schools, including

TEXAS EDUCATION AGENCY

Differences Only - Excludes Capital

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measures related to certain student records and truant conduct, or similar legislation by the Eighty-eighth Legislature, Regular Session;

- (d) SB 1474, relating to special education in public schools, including the special education allotment under the Foundation School Program, an education savings account program for certain children with disabilities, and a grant program to reimburse public schools for the cost of certain employer contributions for retirees of the Teacher Retirement System of Texas employed to teach special education, or similar legislation by the Eighty-eighth Legislature, Regular Session; and
- (e) SB 2565, relating to instructional material and technology, the adoption and revision of essential knowledge and skills of the public school foundation curriculum, and creating allotments for the procurement of certain instructional materials under the Foundation School Program; authorizing a fee, or similar legislation by the Eighty-eighth Legislature, Regular Session.

86. Fentanyl Contamination Training.

- (a) In addition to the amounts appropriated above, the amount of \$2,611,722 is appropriated from the Opioid Abatement Account No. 5189 to the Texas Education Agency for the state fiscal year beginning September 1, 2023, to direct Regional Education Service Centers to provide training developed by The University of Texas Health Science Center at San Antonio to school district employees regarding the dangers of fentanyl contamination.
- (b) It is the intent of the legislature that:
 - (1) each regional education service center receive funding allocated under Subsection (a) of this rider to support salary, benefits, payroll costs, and travel expenses for at least one full-time equivalent position; and
 - (2) the centers serving the five regions with the highest student enrollment receive funding allocated under Subsection (a) of this rider to support salary, benefits, payroll costs, and travel expenses for two full-time equivalent positions.

TEXAS EDUCATION AGENCY

Differences Only - Excludes Capital

(Continued)

House

Senate

- (c) Any unexpended balance of money allocated as described by Subsection (a) of this rider remaining as of August 31, 2024, is appropriated for the state fiscal year ending August 31, 2025, for the same purpose.

87. Kindergarten Readiness Grant Program.

- (a) Out of the amounts appropriated above for Strategy A.2.1, Statewide Educational Programs, the commissioner of education shall allocate \$3,750,000 for each state fiscal year of the state fiscal biennium beginning September 1, 2023, to provide grants in accordance with Section 29.155, Education Code, to school districts to contract with a qualified applicant designated by the commissioner of education to administer an in-home, technology-delivered kindergarten readiness program that supplements prekindergarten instruction.
- (b) The applicant designated by the commissioner of education under Subsection (a) of this rider must provide a program that is designed to:
 - (1) increase access to early learning programming education;
 - (2) include a parental engagement and involvement component;
 - (3) improve student transition into elementary education; and
 - (4) include content in reading, math, and science correlated with state prekindergarten guidelines.
- (c) The commissioner of education shall ensure the program described by Subsection (b) of this rider:
 - (1) is implemented in a manner that:
 - (A) allows the program to be offered statewide at no cost to at least 5,000 four-year-old students selected based on early learning needs, including students who are

TEXAS EDUCATION AGENCY

Differences Only - Excludes Capital

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House

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educationally disadvantaged, students residing in rural or remote areas, and emergent bilingual students;

- (B) attempts to provide equal geographic representation across the state;
- (C) prioritizes school districts in a manner consistent with Section 29.155(d), Education Code;
- (2) includes evidence-based assessments provided by the Texas Education Agency or an independent qualified provider designed to measure student progress on domains that include early literacy, numeracy, and language; and
- (3) provides access to computers and Internet service for program participants who are educationally disadvantaged and reside in homes without a computer or Internet service.
- (d) In designating an applicant under Subsection (a) of this rider, the commissioner of education shall give preference to an applicant that:
 - (1) is a nonprofit organization;
 - (2) agrees to provide matching funds in an amount equal to at least 25 percent of the amount allocated under Subsection (a) of this rider; and
 - (3) has experience implementing a program in this state similar to the program described by Subsection (b) of this rider.
- (e) Not later than January 1, 2025, the commissioner of education shall submit to the legislature a report evaluating the educational growth of students participating in the program described by Subsection (b) of this rider.
- (f) Any unexpended balances of money allocated as described by Subsection (a) of this rider remaining as of August 31, 2024, are appropriated for the state fiscal year ending August 31, 2025, for the same purpose.

TEXAS EDUCATION AGENCY

Differences Only - Excludes Capital
(Continued)

House

Senate

87. Projects and Grants at the Texas Education Agency. The commissioner of education shall partner with non-profit organizations serving children with disabilities that have been operating at least 10 years, have audited financials, and serve more than 250 children a year by contracting with such organizations to provide the following services:

- (a) Grant for Adaptive Equipment. Included in amounts appropriated above to the Texas Education Agency, is \$5,000,000 in General Revenue in fiscal year 2024 in Strategy A.2.3, Students with Disabilities, to contract with to a non-profit organization that provides adaptive equipment for children with multiple disabilities in Harris County and the Dallas-Fort Worth Metroplex.
- (b) Best Buddies. From funds appropriated above in Strategy A.2.4, School Improvement and Support Programs, the Commissioner shall allocate \$1,000,000 in each fiscal year of the 2024-25 biennium to support the Best Buddies program.

Any unexpended balances as of August 31, 2024, are appropriated for fiscal year 2025 for the same purpose.

88. Contingency for Senate Bill ____. Contingent on enactment of Senate Bill____, or similar legislation relating to an enrichment tax rate for certain school districts, by the Eighty-eighth Legislature, Regular Session, the following adjustments should be made to the Texas Education Agency bill pattern:

- (a) On page III-1 of the Texas Education Agency bill pattern, increase funds appropriated in Strategy A.1.1, FSP - Equalized Operations, by \$____ in each fiscal year of the biennium from General Revenue;
- (b) Amend the Foundation School Program sum-certain appropriation identified in Rider 3, Foundation School Funding, accordingly.

TEXAS EDUCATION AGENCY

Differences Only - Excludes Capital

(Continued)

House

Senate

88. Implementation of the High School Equivalency Subsidy Program. It is the intent of the legislature that, out of funds appropriated to the Texas Education Agency above that may be used for that purpose, the agency use an amount sufficient to implement the high school equivalency subsidy program described by Section 48.302(b), Education Code.

TEXAS PERMANENT SCHOOL FUND CORPORATION

Differences Only - Excludes Capital

House

Senate

6. Exception to Appropriation for Board Fiduciary Finding.

- (a) In addition to the amounts appropriated above and notwithstanding the provisions of Article IX, Section 6.10, Limitation on State Employment Levels, the Permanent School Fund Corporation (PSFC) is authorized to expend additional funding out of the Permanent School Fund and employ additional FTEs if the Permanent School Fund Corporation Board issues a fiduciary finding stating the amount of additional funding and/or FTEs necessary to perform the fiduciary duties of the Board.
- (b) It is the intent of the Legislature that the Board approve a statement of justifications and objectives for adopting the additional funding and/or FTEs. No later than 30 business days following the issuance of a fiduciary finding, the PSFC shall submit a written notification to the Legislative Budget Board (LBB) and the Governor. This notification shall include:
 - (1) The amount of additional funding from the Permanent School Fund, and/or number of additional FTEs, to be authorized by this rider for each affected year of the 2024-25 biennium, as identified in the fiduciary finding;
 - (2) A statement of justifications and objectives for the additional funding and/or FTEs;
 - (3) The current operating budget, as approved by the Board, for each fiscal year of the 2024-25 biennium that is amended by the fiduciary finding;
 - (4) Performance metrics proposed by the PSFC to evaluate the impact of additional funding and/or FTEs on the Board's objectives in issuing the fiduciary finding; and
 - (5) Any additional information requested by the LBB or the Governor regarding the fiduciary finding.
- (c) The total amount of funding authorized by this rider shall not exceed the performance measure target established in this Act under Strategy A.1.1 Permanent School Fund (PSF) Investment Expense As a Basis Point of Net Assets, except as specified in subsection (d).
- (d) In the event that the PSFC determines in a fiduciary finding that additional appropriations are needed that exceed the limit in subsection (c), the Board shall submit a request, including the information required in subsection (b), to the LBB and Governor. The request shall be considered approved 30 business days after the request is delivered, unless otherwise

TEXAS PERMANENT SCHOOL FUND CORPORATION

Differences Only - Excludes Capital

(Continued)

House

Senate

disapproved.

- (e) No later than October 31 following a fiscal year for which the Board has adopted a fiduciary finding, the PSFC shall provide a report to the LBB and the Governor on:
 - (1) The actual total expenditures and number of additional FTEs hired during the preceding fiscal year pursuant to subsection (a); and
 - (2) A report on the agency's actual performance on metrics described in subsection (b)(4) for the preceding year.

TEACHER RETIREMENT SYSTEM

Differences Only - Excludes Capital

House

Senate

21. Analysis of High-Cost Hospital Claims.

- (a) It is the intent of the legislature that the Teacher Retirement System, using funds appropriated by this Act, engage a third party vendor to conduct a review of hospital claims of TRS-Care and TRS-ActiveCare enrollees that exceeded \$100,000 during the 2022 fiscal year and analyze itemized charges and medical records to determine any potential cost savings that could be realized by the system.
- (b) Not later than September 1, 2024, the Teacher Retirement System shall provide to the Legislative Budget Board, the Governor, and the members of the Senate Finance Committee, Senate Health and Human Services Committee, House of Representatives Appropriations Committee, and House of Representatives Insurance Committee a report on the findings of the review and analysis.

21. Contingent Appropriation for Teacher Retirement System (TRS) Additional Regional Office.

In addition to the amounts appropriated above and notwithstanding the provisions of Article IX, Section 6.10, Limitation on State Employment Levels, TRS is authorized to expend additional funds out of the TRS Pension Trust Fund and employ additional FTEs upon a finding of fact by the TRS Board of Trustees that additional resources are necessary to open an additional regional office. No later than 30 business days after such a finding, the TRS Board of Trustees shall notify the Legislative Budget Board (LBB) and the Governor of the amount of funding and number of FTEs anticipated to be necessary for these purposes.

- ## 22. Contingency for Senate Bill 10.
- Contingent on enactment of Senate Bill 10, or similar legislation relating to benefits paid by the Teacher Retirement System of Texas, by the Eighty-eighth Legislature, Regular Session, included in amounts appropriated above in Strategy A.1.4, TRS Retirement Additional Annuity Payment, the Teacher Retirement System is appropriated \$3,717,000,000 in fiscal year 2024 from General Revenue to implement the provisions of the legislation.