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	LSG Floor Report For General Calendar- Friday, August 4, 2017					
HB 30 By: Zerwas	Relating to making supplemental appropriations and giving direction and making adjustments regarding appropriations for public school finance.	Appropriations	HB 30 is the appropriations bill to HB 21 by Huberty. This bill will appropriate \$963.5 million in each fiscal year of the 2018-19 biennium to the Texas Education Agency (TEA) from the Foundation School Fund for Strategy A.1.1, FSP-Equalized Operations. It requires the LBB to determine the sum-certain appropriation to the Foundation School Program as specified by Rider 3. It will also amend that Rider of the TEA bill pattern to establish the Basic Allotment at \$5,350 in each fiscal year of the 2018-2019 biennium.	Favorable Evaluated by: Kelsey Bernstein 210-382-4295 Info@Texaslsg.org		
			The Commissioner of Education will allocate \$15 million of each fiscal year in the biennium to make grants for school districts and open-enrollment charter schools to assist in the cost of educating students with disabilities. Those grant recipients must report to TEA on the use of that money. HB 30 will reduce 2018-2019 GAA appropriations made to TEA by \$1.927 million in FY 2019. This bill will help advance the commitments to public education made in HB 21. It increases the basic allotment which will provide a funding increase across all public schools in Texas.			
HB 23	Relating to a grant program	Public	When compared to other students in public schools, students diagnosed with autism require specialized attention to achieve their	Favorable		
By: Huberty	to fund innovative programs for public school students with autism.	Education	educational goals. Currently, many public schools across Texas lack the resources needed to accommodate autistic students. Necessary evidence-based methodologies pertaining to autism in children are also lacking. HB 23 establishes an innovative grant program that targets the personalized needs of students with autism. HB 23 requires the commissioner of education to establish a grant program that provides advanced services for autistic children in public school districts and open-enrollment charter schools. The program must include evidence-based designs, empirical data on achievement and improvement, parental support and collaboration, set enrollment priority for autistic students, and be generalizable.	Evaluated by: Ana Ramon 210-382-4295 Ana@Texaslsg.org		
			HB 23 states that a school district or charter school may not charge a fee for the program, require enrollment, place a student without parental consent, or continue a student's placement in the program if the parent revokes consent. The bill grants the program flexibility to alter school length days, adopt staff specific qualifications, and admit students without disabilities or other disabilities upon the commissioner's approval. Per the bill, 20 million dollars would be set aside by TEA for a maximum of 10 programs with a 1-million-dollar cap for each program. The commissioner must prioritize programs that result from collaborations between school districts, charter schools, or both. Eligible programs are only those that operate separately from a campus from which the program could be housed. The commissioner must select programs and award grant funds to those programs beginning in the 2018-2019 school year. The program selected will be funded for five years.			

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Favorable

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HB 21	Relating to the public school	Public	HB 21 is a promising first step towards improving a school finance system that is notorious for its complex nature and convoluted
By: Huberty / Zerwas / et al.	finance system.	Education	funding mechanisms. The system has been heavily criticized for having outdated funding elements, and it has been accused of not funding education equitably. This is due in part to the fact that Texas funds public schools by using a property tax system that creates an unfair dynamic in which the poorest school districts tax at a higher rate than the state's wealthiest school districts but receive less from the state in per pupil funding. Since 2008, the state has decreased it's share to public education by \$339. The local tax payers are now contributing \$1,000 more dollars per student. Contingent on the passage of HB 30, the appropriations bill for this bill, contains an increase of approximately \$1.8 billion in state aid to districts, which increases per pupil funding for 95% of districts, 98% of all students in the state.
			The distribution of these dollars along with some local dollars can be found in Chapter 41 and 42 of the education code. They are divided into two tiers of formulas. Tier 1 consists of the Basic Allotment (BA) and is currently set in statute at \$4,765 per student or a higher amount through the appropriation process. Tier I is supposed to provide districts with adequate funding necessary to deliver a basic education program, but most districts find that they cannot provide an adequate level of education with their Tier I funding. Tier II is intended to supplement Tier I funding; it pays for enrichment (i.e. education activities and programs chosen by the school district to customize its education experience.
			Once the basic allotment is set, there are adjustments made to it to determine the level of funding each school district needs. The adjustments are based on district and student characteristics (i.e. district size, teacher salary in neighboring districts, special education students, gifted and talented). Adjustments and weights drive additional funding to districts to help cover costs arising from district and student characteristics.
			Basic Allotment If HB 21 passes, the budget increases the basic allotment, which is the base level of funding all districts start with, from \$4,765 to \$5,140 per student in each year of the biennium. A portion of this funding increase comes from the elimination of funding elements that are considered outdated and inefficient. The bill also creates, increases, and expands funding elements that benefit all school districts.
			Small District Adjustment This allotment is currently applied to districts that are less than 300 square miles and no more than 1,600 in average daily attendance (ADA). This would change increase the multiplier for districts that fall into this category. On Sept. 1 2023, the geographic size component would no longer be a consideration for this allotment and would be primarily based on the 1,600 ADA. Additional State Aid for Staff Salary Increases
			Additional State Aid for Staff Salary Increases (Sec. 42.2513) is a section of the Education Code that essentially designates funds to school districts specifically for support staff salary increases. The repeal of this section does not remove districts' requirement to increase wages for support staff; neither does it have the effect of reducing the amount districts are required to pay support staff. The aforementioned section of code is rendered unnecessary by the protection to support staff provided under Section 22.107 of the Education Code, Wage Increase for Support Staff.

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Eliminates the High School and Transportation Allotment

By eliminating the high school and transportation allotments and essentially folding them into the basic allotment, per pupil funding across the state. This modernizes and simplifies transportation funding by providing \$125 per student and places it into the basic

HB 22	Relating to the extension of	Public	allotment. An increase in the state's share of funding to public schools by this amount lowers the burden of recapture, the state's mechanism for collecting money from "property-rich" districts and redistributing it to "property-poor" districts, by approximately \$173 million in 2018 and \$205 million in 2019. Eliminates A 1993 Hold Harmless Provision The hold harmless provision that the bill repeals was originally designed to transition districts into the recapture system. This is an outdated and inefficient funding element that currently benefits less than 40 districts. Expansion of the Career and Technology Allotment Weight The bill also expands the current career and technology funding to include eighth grade and technology application courses. The expansion of this allotment creates greater accessibility to Career and Technology Education (CTE) programs. New Weight for Dyslexia Students HB 21 adds a 0.1 weight for students with dyslexia. This new funding weight provides districts with an additional 10% of funding for students with dyslexia. The bill limits eligibility for funding through this allotment to not more than 5% of a district's students in average daily attendance. Increases Bilingual Allotment Weight The bill increases the billingual allotment weight from 0.1 to 0.11. This is an allotment that has not been increased since its inception in 1984. Data shows that bilingual education is a small investment with a large return for the state in the form of a well-educated workforce. Hardship Grant The bill creates a Hardship Grant that provides assistance to districts in order to defray the financial hardship of ASATR's expiration. Nearly 160 school districts still receive money through ASATR (Additional State Aid for Tax Reduction), which is set to expire in September. The grant is set to expire in September of 2019. This bill also requires the TEA to submit an equalized wealth level for the upcoming fiscal biennium. It changes the date of the final foundation school fund payment will occur.	Will of the House
By: King, Ken / Price / Guillen / Nevárez / et al.	additional state aid for tax reduction provided to certain school districts.	Education	receive \$400 more per student than non-ASATR districts. This occurs since ASATR is not beholden to any of the adjustments that the Foundation School Program is based upon and districts who receive ASATR are considered "off-formula". HB 22 doesn't account for the cost to maintain ASATR and without additional appropriations the cost to maintain it will be prorated from other sources. HB 22 would postpone the expiration date of Additional State Aide for Tax Reduction (ASATR) from September 1, 2017 to September 1, 2019. The bill details the eligibility requirements the Texas Education Commissioner may use to determine an school districts eligibility for ASATR funding. The provisions are dependent on the effective date of HB 22 if it were to become law.	w/ Grave Concerns Evaluated by: Ana Ramon 210-382-4295 Ana@Texaslsg.org
			ASATR for 2017-18 or 2018-19: A school district who would receive ASATR in either 2017-18 or 2018-19 which equaled an amount that equaled 4% or less of the district's total funding would be ineligible to receive additional state aide.	

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ASATR for 2016-17: If a district did not receive ASATR for the 2016-17 or following school year would be ineligible to receive additional
state aide in the coming school year. These determination would be made by the Commissioner of Education.
ASATR was created in 2006 as a temporary hold harmless after the Maintenance & Operation Tax was cut. ASATR has been extended
for 11 years and the legislator intended to phase out ASTAR by fiscal year 2017. It's estimated that 87% of the ISD's originally under
ASATR have transitioned out and it now only covers 5% of the student population. The TEA shared the following information
concerning the districts who may be effected by the expiration of ASATR:
• Even with taxes raised or currently at \$1.17, there are 10 districts that are funded less than average for their county.
• 5 of these districts see more than \$200 per WADA less in funding than the average district in their county.
1 of these districts will see a 62% reduction in funding in 2018 vs 2017, with taxes raised by \$0.13.
The 10 on average see a 23% decline in year over year revenue.

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