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Amendment Floor Report for HB 1525 – Wednesday, April 21, 2021

Author: Huberty | VanDeaver | King, Ken | Dutton | González, Mary

Author	Analysis	Recommendation
<p>Huberty E870252</p>	<p>The amendment strikes the section of the bill allowing the Commissioner to take any action deemed appropriate to compel a school district found to have adopted an unlawful M&O tax rate to address the violation under a corrective action plan. It adds a new section stating that the Commissioner may reduce the district’s entitlement based on the difference between funding received as a result of M&O tax violations and the amount the district would have received under a correctly calculated M&O rate.</p> <p>Additionally, school districts would not be prevented from using surplus M&O revenue to pay for debt service fees if they are at risk of defaulting on the debt. Schools could additionally use M&O surplus if interest and sinking (I&S) tax revenue, which is normally used to pay debt service fees for school infrastructure improvements, is insufficient due to circumstances beyond their control, such as a situation wherein the district receives lower revenue streams from I&S taxes than initially projected</p> <p>This amendment is important for ensuring school districts will not be put at a greater risk of damaging their credit ratings and that responses to M&O tax violations are not overly punitive.</p>	<p><u>Favorable</u></p>
<p>Dean E870253</p>	<p>In 2017, the legislature approved legislation that has incentivized school districts to draw down more state funds by partnering with charter schools to convert neighborhood public schools into charter campuses. This incentive has become a key element of charter expansion. This amendment would provide another financial incentive to encourage public schools to enter agreements with charter schools. Under current law, Section 48.252 of the Education Code, provides a financial incentive for eligible school districts to adopt additional instructional days that can be used to improve student outcomes. This amendment states that school districts entitled to this extended year incentive and additional funding for a campus under an agreement with a charter operator, can only receive funding for the applicable campus that is entitled to extended year funding. This change allows districts that already receive higher funding through agreements with charter schools to receive both the charter funding and additional funding for campuses where school year is extended, which could incentivize districts to convert even more neighborhood public schools to charter operation</p>	<p><u>Unfavorable</u></p>

OK for Distribution – Rep Garnet Coleman

<p>Bailes E870254</p>	<p>Currently, a school district in the top quartile of student enrollment growth for growth in the preceding three years is entitled to an annual per-student allotment equal to the basic allotment multiplied by .04. It also addresses concerns that, based on the current criteria for the fast growth allotment, some schools qualify based on size while others that should qualify do not. This amendment would:</p> <ul style="list-style-type: none"> • increase the time for data captured from 3 years to 6 years, showing districts with more sustained growth time • reserve funding for schools with the most need related to growth • exclude students enrolled in the state’s virtual school network. <p>This amendment would ensure schools with true fast growth receive funding to meet the needs of students in growing districts.</p>	<p><u>Favorable</u></p>
<p>Bernal E870255</p>	<p>As written, CSHB 1525 places subsidies for the High School Equivalency (HSE) program into the Labor Code. If this program is moved into the Labor Code, the Texas Education Administration (TEA) will be unable to continue the HSE, which provides SBOE approved GED and HiSET options for adult learners. The amendment removes language that would transfer HSE into the Labor Code and ensures that any funds subsidized to TEA can support this program, rather than solely appropriated funding.</p>	<p><u>Favorable</u></p>
<p>Krause E870256</p>	<p>School districts levy local property taxes to ensure they are capable of meeting their maintenance and operation (M&O) costs, with the state providing any remaining amount not covered by local M&O taxes. Schools rely on a Comptroller study evaluating a representative sample of appraised property within a district for projecting M&O property tax revenue to ensure they receive a fair share of state funding.</p> <p>A current requirement ambiguously states that the Comptroller study must ensure study accuracy is not adversely affected by different levels of appraisal on sold and unsold property. This amendment clarifies language regarding study requirements so that sold property can only be considered to determine values for a tax year if the property was sold in the preceding tax year.</p> <p>The Comptroller must evaluate the study’s validity to presume local value is representative of a school district’s taxable value, but without that presumption, the Comptroller defaults to the district’s determined state value. If the local value exceeds the state value without a presumption of validity, the local value is used. The Comptroller is currently required to ensure the validity of local value determinations within a 5% error margin. This amendment changes the standard of validity from 5% to a range with an upper limit of 105% and a lower limit of 90% of the Comptroller’s determined state value.</p> <p>This amendment makes statutory changes intended by HB 2944, which the Public Education committee has not yet heard. That bill intends to change the Comptroller methodology to be more favorable towards property owners. It is unclear how this amendment will potentially impact the school funding formula without the opportunity for public testimony from experts in the field or a Comptroller resource witness. This legislative change should be made using appropriate policy reviews rather than being offered as an amendment.</p>	<p><u>Unfavorable</u></p>
<p>Bailes E870257</p>	<p>This amendment requires that school districts include revenue from delinquent property taxes received from a payment plan if those properties comprise 7.5% of the district and if taxes were owed in the previous school year but paid in the current year.</p>	<p><u>Will of the House</u></p>



<p>Huberty E870258</p>	<p>The bill includes new provisions creating penalties and corrective action plans for schools that levy a higher Maintenance and Operation (M&O) property tax rate to fund debt service payments. Tax increment financing allows for ad valorem (property) taxes to be used for financing community development and infrastructural improvements, which is calculated considering the future revenue resulting from increased property value that can be attributed to the increased property.</p> <p>This amendment clarifies that all provisions related to using M&O tax rates for debt service payments cannot be construed to apply to tax increment financing. School districts may not be prohibited from contributing M&O revenue to tax increment funds. This is important for preventing schools from being inappropriately sanctioned for a statutorily permissible practice.</p>	<p><u>Favorable</u></p>
<p>VanDeaver E870259</p>	<p>During a stakeholder meeting that included Career and Technology Education (CTE) groups and the Texas Education Agency (TEA), there was a mutual agreement that CTE courses should be appropriately funded to cover all needs for the classroom; however, one should not receive significantly less funding because all classes will receive the same quality of instruction. Following this realization, there were adjustments to the two of the weight in this amendment:</p> <ul style="list-style-type: none"> • From 1.0 to 1.1 for the first weighted tier • From 1.48 to 1.47 for the third weighted tier <p>These weight adjustments were deemed acceptable by all groups involved. The change will account for appropriate coverage for CTE classes.</p>	<p><u>Favorable</u></p>
<p>VanDeaver E870260</p>	<p>In a stakeholder meeting involving Texas Education Agency (TEA) and Career and Technology Education (CTE), concerns were raised regarding the weighted tiers that were added to CSHB 1525 on page 9. There is currently no list provided by TEA of which CTE courses fall into which tier, leaving districts with no direction on how these weights would apply practically. In response to these concerns, this amendment adds that TEA shall publish a list of CTE courses and where they call within each tier so that districts will know what funding they will receive.</p>	<p><u>Favorable</u></p>
<p>Guillen E870261</p>	<p>School districts are entitled to additional funds for each student’s average daily attendance of bilingual education or special language programs. This supplemental allocation may only be used for specific purposes related to implementing and evaluating the program, including staff development, staff expenses, and salary supplements for teachers. This amendment authorizes districts to use these funds on teacher salaries themselves, allowing them to hire teachers specifically for the bilingual or special language program. The amendment authorizes the funding for teacher salaries but removes the requirement that using funds for salaries must be supplemental, a change that would improve bilingual education if it specified that the additional funding was for the incremental salary impact of smaller class sizes or other proven educational methods that improve bilingual education.</p>	<p><u>Will of the House</u></p>
<p>Guillen E870262</p>	<p>School districts are entitled to supplemental allotments for economically disadvantaged students, those residing in a residential placement facility, and certain pregnant students. These allotments may be used for purposes outlined in statute, including supplemental services or life skills programs. This amendment authorizes using these allotments for services provided by an instructional coach to raise student achievement at a campus in which educationally disadvantaged students are enrolled. Instructional coaches can mentor and support teachers and provide professional development expertise for working with specific student populations.</p>	<p><u>Favorable</u></p>



<p>Guillen E870263</p>	<p>School districts and juvenile justice alternative education programs are entitled to an allotment from the state instructional materials and technology fund based on the number of enrolled students. These funds may be used for instructional materials, requisite technology, software, and related costs. This amendment includes the costs of the authorized expenditure associated with distance learning, such as Wi-Fi, broadband service, and other equipment needed to facilitate internet access. While HB 1525 is currently written to take effect September 1, 2021, this amendment provides that the authorization to expend instructional materials and technology funds on the costs of distance learning may take effect immediately if the bill receives a two-thirds vote. The need for these expenses, particularly for students and teachers who do not have access to devices and the internet at home, has become highly apparent due to the pandemic and changing educational practices shifting instruction and assignments online.</p>	<p><u>Favorable</u></p>
<p>Huberty E870264</p>	<p>Currently, each classroom teacher of kindergarten, second, and third, as well as each principal of a school with kindergarten through third grade, attends a literacy achievement academy before the start of the school year. These literacy academies enrich teacher's knowledge and skills so they can best teach students how to achieve literary mastery. As the bill is currently written, teachers would be required to demonstrate their proficiency in the science of teaching reading by passing a certification exam.</p> <p>The amendment intends to remove the requirement that teachers must demonstrate proficiency in the science of reading through a certification exam. The teacher also has to undergo extensive continuing education and professional development throughout the school year, on top of maintaining their certification requirements. An additional examination would only add to the stress of the training and continuing education a teacher undergoes before every school year. There are also no specifications as to what a proficient score would be or what consequences a teacher may face due to not passing the proficiency examination. This amendment would waive the certification exam.</p>	<p><u>Favorable</u></p>
<p>Turner, C E870265</p>	<p>This amendment seeks to ensure that if a school district employee received an increase in compensation in the 2019-2020 school year and is still employed by the same district, they must receive the same amount. This amendment ensures that Texas upholds previous commitments and builds trust with school employees.</p>	<p><u>Favorable</u></p>
<p>Howard E870266</p>	<p>This amendment would require the consideration of tax rate reductions in calculating the residence homestead exemption for individuals. Texans over 65 currently have their school property taxes "frozen" in the year the individual turns 65, but they do not benefit from changes in the tax rate. The amendment brings the tax rate into the calculation of the exemption.</p>	<p><u>Favorable</u></p>
<p>Raymond E870267</p>	<p>This amendment creates an additional requirement that school districts found in violation of using the Maintenance and Operation (M&O) tax rate to fund debt service payments must be posted on the Texas Education Agency's (TEA) website. The amendment's intent is for transparent information to be available so that parents know that their district is not in compliance with the new M & O tax violation plan included in CSSB 1525. However, this amendment does not have contextual indicators regarding a district's violation status, such as the district's corrective action plan or whether a simple mistake was made. The sole indication of a district being in violation could hurt the retention of students and hinder further growth of the school. The Comptroller of Public Accounts should determine what constitutes confidential tax information. The legislature should discuss the need for taxpayer transparency as a separate issue to determine if school district M & O tax violation transparency is in the public's best interest.</p>	<p><u>Will of the House</u></p>



<p>Raymond E870268</p>	<p>This amendment adds language to the college readiness standards by stating that while someone is attending high school and earning an associate degree, the associate degree must be from a postsecondary educational institution approved by the Texas Higher Education Coordinating Board. The amendment ensures that the institution awarding an associate degree is awarded by an approved institution.</p>	<p><u>Favorable</u></p>
<p>Raymond E870269</p>	<p>Child maltreatment and human trafficking prevention efforts rely largely on creating awareness. The amendment adds in language for school safety planning and security training to include informational content regarding identifying, preventing, and reporting child abuse and trafficking. The amendment improves the safety of children by spreading awareness to appropriate school officials on warning signs and reporting methods for abuse, neglect, and human trafficking.</p>	<p><u>Favorable</u></p>
<p>Rogers E870270</p>	<p>CSHB 1525 currently reduces funding for level one and two careers and technology education (CTE) courses from 1.35 to 1.28. This amendment adds that a school district will receive the basic annual allotment multiplied by 1.35 for a full-time equivalent student enrolled in levels one and two career and technology education courses.</p> <p>Levels one and two courses are taught in a classroom setting with an instructor. Without this amendment adjusting weighted funding to these courses, districts will lose funding for introductory CTE courses. Reducing allotments would burden school districts in small or rural areas, which may have staffing shortages or only offer a limited amount of CTE classes.</p>	<p><u>Favorable</u></p>
<p>Wilson E870271</p>	<p>During a stakeholder meeting including Career and Technology Education (CTE) groups and the Texas Education Agency (TEA), there was a mutual agreement that CTE courses should be appropriately funded to cover all needs for the classroom; however, one should not receive significantly less funding because all classes will receive the same quality of instruction. Following this realization, there were adjustments to the two of the weight in this amendment:</p> <ul style="list-style-type: none"> • From 1.0 to 1.1 for the first weighted tier • From 1.48 to 1.47 for the third weighted tier <p>These weight adjustments were deemed acceptable by all groups involved. Additionally, the amendment will have the TEA publish a list of CTE courses that qualify to be weighted. The list will also identify if the courses are a part of an approved program of study and the course's level. The change will account for appropriate coverage for CTE courses and remove the ambiguity of a course's eligibility to be weighted.</p>	<p><u>Favorable</u></p>
<p>Howard E870272</p>	<p>Currently, school districts may be exempted from any subsection related to providing free prekindergarten classes if implementing such a program would require them to construct a new classroom or reduce the number of children eligible to participate in prekindergarten programs. This amendment revises language regarding exemption requirements so that districts must follow the guidance provided by the Texas Education Agency (TEA) on soliciting partnerships for prekindergarten classes rather than considering potential solicitations at a public meeting. A subsection is added requiring school districts to consider already submitted proposals at public meetings with public or private entities regarding the implementation of prekindergarten classes. This amendment would help school districts follow TEA's best practices for identifying prekindergarten programs while still meeting public meeting requirements and reducing potential conflicts of interest in the process.</p>	<p><u>Favorable</u></p>



<p>Guillen E870273</p>	<p>The local option incentive allotment provides extra funding to rural or high-needs school districts based on a teacher designation system that progressively increases allotment amounts for each categorical designation. HB1525 removes the requirement that teachers must be “certified” to be designated as the master, exemplary, or recognized teachers. In addition to that, this amendment includes provisions requiring that schools develop an evidence-based designation system for teachers to be recognized as any category of exemplary. Like HB 1525, this combination could weaken teacher quality standards. Finaneally<u>Financially</u> incentivizing schools to hire non-certified teachers when there is already a shortage of qualified teachers in Texas compromises the integrity of the teaching profession.</p>	<p><u>Will of the House</u></p>
<p>Guillen E870274</p>	<p>The amendment would change the funding weight for career and technology education students to an annual allotment equal to the basic allotment to which a district is entitled:</p> <ul style="list-style-type: none"> • multiplied by 1.15 for a full-time student in CTE courses not in an approved program of study, • multiplied by 1.35 for a full-time student in level one and two approved CTE courses approved program of study, and • multiplied by 1.45 for a full-time student in level three and four approved CTE in the approved program of study. 	<p><u>Will of the House</u></p>
<p>Amendments Filed After the Deadline– Wednesday, April 21, 2021</p>		
<p>Lopez E870289</p>	<p>Each classroom teacher who teaches kindergarten-third grade classes and principals at a campus with kindergarten-third grade has to attend a teacher Literacy Achievement Academy no later than the 2021-22 school year. The Literacy Achievement Academy trains teachers in compelling reading and instructional methods appropriate for struggling readers. This amendment exempts teachers who only teach PE, various arts, health education, music, speech communications, or theatre from the requirement to attend the literacy achievement academy. These are elementary electives or “specials” teachers that focus on areas outside of literacy and thus do not need to attend the literacy achievement academy.</p>	<p><u>Favorable</u></p>

