

# House Bill 1525

“The HB 3 Clean Up Bill” by Rep. Dan Huberty/Senator Larry Taylor

Provides necessary changes throughout the Education Code to correct technical errors in law from HB 3 of the 86th Legislative Session, as well as a variety of other changes detailed in this document.

## Foundation School Program

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| <b>Career &amp; Technology Allotment</b> | <p>Changes Career &amp; Technical Education (CTE) funding from one weight of 1.35 per FTE to a system of tiered weights related to courses (1.1 for non-approved programs, 1.28 weight for approved CTE programs for levels 1 &amp; 2, and 1.47 for approved CTE programs for levels 3 &amp; 4).</p> <p>Entitles small and mid-sized districts to full CTE funding.</p>  |
| <b>Gifted &amp; Talented Allotment</b>   | <p>Entitles schools to a weight of 0.07 for each identified GT student served. Not more than 5% of students are eligible for this funding. Funding is capped at the amount appropriated: \$100 million per year.</p>   |
| <b>Fast Growth Allotment</b>             | <p>Changes the current weight of 0.04 per ADA for every district in the top quartile of growth to instead entitle schools to an applicable weight for enrollment growth exceeding 250 students over a six-year period; weight is determined by ranking eligible districts, with the top 40% receiving the highest weight, and the next 30%, and lowest 30% to qualify. For school year 2021-22, the weights would be 0.45, 0.30, and 0.15. The weights would increase to 0.48, 0.33, and 0.18 beginning with the 2022-23 school year.</p> <p>Allotment distribution may be prorated if funding required exceeds maximum amount set in statute, which will be \$320 million per year by 2024-25, with a specified schedule increase gradually until then. \$40 million is specified to provide some transitional aid in 2021-22 for the difference between entitlements for this allotment under prior and new law.</p> |
| <b>CCMR Bonus</b>                        | <p>Adds qualification for the College, Career, Military Readiness (CCMR) Outcomes Bonus for students earning an associate degree from a THECB approved institution while attending high school (or within a certain determined period).</p>  |
| <b>Comp Ed Allotment</b>                 | <p>Entitles districts to the highest possible compensatory education weight for each enrolled student who is homeless. Allows use of comp ed funds to pay for an instructional coach to help disadvantaged students, duties performed by attendance officers, &amp; programs to build skills related to social emotional wellness.</p>   |
| <b>Formula Transition Grant</b>          | <p>Beginning in the 2021-22 school year, limits Formula Transition Grant funding to an amount that may not exceed \$400 million per year; grant amounts would be proportionally reduced for all districts if the total funding exceeds that capped amount.</p>   |
| <b>MOE/MOQ</b>                           | <p>Allows Commissioner to increase school district and charter funding entitlements to ensure compliance with Maintenance of Effort (MOE) and Maintenance of Equity (MOQ) in federal legislation. (\$396 million)</p>  |

## Grants/Funding

**Creates new grant programs for districts, from both state and federal funds, paid for in part by a \$1.14 billion reduction to the FSP and a \$620 million reduction in TIMA, as per HB 1525 contingency rider in SB 1. (biennial amounts shown)**

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| COVID-19 learning acceleration supports & changes in instructional practice (innovation in curriculum and instruction, diagnosing student mastery, extended instructional time, and supports for teachers)  | \$1.35 billion<br>((\$406M GR; \$944M state discretionary ESSER) |
| Allotment for schools receiving low or no ESSER funding; \$208.35 per student plus \$1,290 for each student multiplied by the percentage of students who need additional support. The allotment amount the district may receive is reduced by the amount received under the LEA subgrants from ESSER II or ESSER III (distributed equally across both 2021-22 and 2022-23 school years) | \$207 million  |
| Expanding learning options for P-TECH, Regional Pathways Network, and JET   | \$118 million  |
| Supplemental instructional supports (including tutoring)  | \$100 million  |
| Technical assistance for students with limited or no internet access  | \$8 million  |
| Reimbursement for technology acquisitions made by schools before February 28, 2021  | \$390 million  |
| Reimbursement for costs incurred for Winter Storm Uri, including costs for electricity price hikes.   | \$35 million   |
| Extends and expands grant programs for serving students with Autism and Dyslexia  | \$100 million  |

### New Mandates

- Requires districts to accept PTO/PTA donations for supplemental education staff positions, and to spend the donation for the purpose for which it was designated.
- Applies requirements of the Open Meetings Act to SHAC, requires the posting of any human sexuality materials available in public domain be posted to the district's website, requires prior consent from parent before a student is provided with human sexuality instruction.
- Prohibits tax swaps by barring districts from imposing an M&O tax rate intended to create a surplus for the purpose of paying down the district's debt. TEA identifies districts in violation, order compliance, a corrective action plan, and if necessary cut state aid. Districts found in violation must be listed on the TEA website.

### New Flexibility

- Extends the deadline on training for Literacy Achievement Academies through the 2022-2023 school year.
- Allows IMA to be used for distance learning costs (Wi-Fi, hotspots, wireless services, broadband, and other technological equipment).
- Allows districts to net their recapture payments against state aid to which the district is entitled in both Tier 1 and Tier 2.
- Allows compensation paid under the teacher incentive allotment to qualify as salary & wages for determining member contributions and compensation under TRS.