Input on HB 2

Regarding School Finance

March 6, 2025



The **Association of Texas Professional Educators (ATPE)** appreciates the opportunity to offer the following input by section on House Bill (HB) 2. The bill significantly impacts two of ATPE's four legislative priorities for the 89th Texas Legislature:

Increase Public Education Funding and Educator Compensation

ATPE urges the Texas Legislature to meet its constitutional duty and fund public schools at levels that meet student needs and allow our public schools to comply with state and federal mandates. The Legislature should increase school funding and index it to inflation to ensure students are adequately supported both now and into the future. Funding must provide meaningful increases in all aspects of teacher compensation, including salaries, healthcare, and retirement benefits.

Strengthen the Teacher Pipeline

Ensuring students have access to educators who are well prepared and well supported is key to student success. As such, ATPE recommends limiting exemptions from teacher certification laws. ATPE further recommends the Legislature provide grant funding for school districts to assist noncertified teachers obtain certification in a timely fashion.

HB 2 Article 1 – Changes Related to Public Education and Public School Finance

Secs. 1.01 and 1.02 – as they relate to charter school facilities funding:

The nearly unregulated growth of charter schools has created a situation in many urban areas where there are significantly more seats in ISDs and charters than there are students to fill them. This inefficiency is a predominant factor in both charter and ISD funding issues tied to lack of or declining enrollment. Although facilities funding for existing or replacement facilities may not greatly impact this issue, to the extent that providing enhanced facilities funding incents charter schools to continue to open new campuses where there is not population to support their opening, this policy represents a real problem for both systems and a significant waste of taxpayer dollars with no appreciable benefit.

Secs. 1.03 and 1.04 – as they relate to changes to the Teacher Incentive Allotment (TIA) program:

ATPE supports differentiated pay structures as an additional source of compensation above adequate base pay for all Texas educators—and, as such, we are not opposed to the TIA program so long as the final draft of HB 2 provides an adequate guaranteed increase in pay for educators subject to the minimum salary schedule.

Although ATPE members support differentiated pay structures, our members have expressed through the ATPE Legislative Program that:

- ATPE believes students' state-level standardized test scores should not be a component of teacher evaluations until such time as they can be validated through a consensus of independent research and peer review for that purpose.
- ATPE supports incorporating measures of student growth at the campus level or higher into evaluations of educators if the measures are developed with educator input, piloted, or deemed statistically reliable.
- ATPE opposes:
 - The use of student performance, including test scores, as the primary measure of a teacher's effectiveness, as the determining factor for a teacher's compensation, or as the primary rationale for an adverse employment action.
 - The use of value-added measurement at the individual teacher level for teacher evaluation purposes or decisions about continued employment of teachers.
 - Incentive or performance pay programs unless they are designed in an equitable and fair manner as determined by educators on a campus basis.

It is hard to imagine how the one-size-fits-all top-down state-developed system found in (d-1) which looks like it is designed to mirror Dallas ISD's evaluation system—would not violate the member-written-and-approved positions listed above. Thus, we would respectfully request the removal of any state funding tied to such a system.

Sec. 1.05 – as it relates to the Additional Days School Year program:

We support the additional instructional days incentive funding under 48.0051. We would note that the grant program envisioned by this section will almost certainly grow bureaucratic staff at the agency level and potentially administrative staff at the district level.

Sec. 1.07 – as it relates to pre-K funding:

We don't oppose the addition of proposed TEC Section 29.153 as it relates to 3-year-olds, but districts internally operating full-day pre-k for 4-year-olds should be able to place any children who

qualify under this section of the bill but not under subsection (b) of existing law into the district's pre-K program using state funding at the district's discretion.

Secs. 1.08 and 1.09 – as it relates to the Resource Campus Designation:

The criteria to receive a Resource Campus Designation under TEC 29.934(d) encompasses many educational inputs for which ATPE has long advocated. As such, we are glad to see funding tied to those inputs. We are also encouraged that programs have produced data to further support the efficacy of increasing student performance through the implementation of this program, which requires the use of high-quality inputs. Although we certainly do not fault the desire to expand the current program as this bill does, we do question why we would effectively continue to require a campus to fail before providing its educators with the funding required to implement a blueprint we now know works to help students succeed. Would it not be better policy to instead either allow any campus to voluntarily agree to institute the Resource Campus Program or—if the desire is to concentrate the funding—attach these requirements and funding to any campus where the percentage of students entitled to comp ed funding is above a certain threshold?

We are also concerned that tying the designation as a Resource Campus and access to the associated funding that follows to TIA is an unnecessary and unjustified barrier. We certainly agree that having a robust teacher evaluation system is a positive factor; however, one can have a highly effective system of teacher evaluation and professional growth not tied to TIA. In fact, in listening to testimony on this section, it certainly seemed the primary benefit of incorporating TIA into the program was simply to bring in more additional funding to cover program and staffing costs. Considering how administratively burdensome TIA can be, we would highly recommend allowing an option for non-TIA districts willing to implement the remainder of the Resource Campus requirements, including a robust evaluation system not under TEC 21.3521, to have access to funding equivalent to their TIA peers and see if the resource campuses in non-TIA districts perform equally well. To that end, we would also encourage, at a minimum, making the change to 21.3521(4)(B) contemplated by the bill an either/or with current law: Either employ only teachers with three or more years of experience or teachers with two or more years of experience so long as 50% of teachers hold current TIA designations. Whether a teacher with a designation is or is not a better educator than an undesignated peer is of little consequence to the students in the class of neither the designated nor undesignated experienced teacher but instead would be of consequence for students whose teacher was only in their second year of teaching.

Secs. 1.10 and 1.21 – as it relates to the High School Advising Program:

We would note that the program envisioned by this section will grow bureaucratic staff at the agency level and administrative staff at the district level.

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Sec. 1.13 as it relates to pre-K:

We see no rational justification for funding private pre-K placement at full-day funding while funding ISD pre-K placement at half-day funding. This is particularly true because many districts have in recent years increased their in-house pre-K programs as a direct result of state encouragement. There is also some indication that, on average, the quality of education in district pre-K programs is superior to that of private counterparts.

Sec. 1.14 – as it relates to funding for the Additional Instructional Days Incentive Program:

We appreciate the flexibility and additional funding this section provides to districts taking advantage of the Additional Instructional Days incentive program.

Secs. 1.16 and 1.22 as they relate to the Basic Allotment and Teacher Compensation:

We appreciate the increase to the Basic Allotment (BA). While we acknowledge that elements such as increases to special education funding have the impact of increasing discretionary funding at the district level in a similar way that directly funding the BA does, we do not anticipate that those elements, in combination with the increase to the BA currently in the bill, come anywhere close to providing the same level of effective funding that districts had in 2019 after the passage of HB 3. We would therefore request additional funding effort be put into the BA.

We would also highly encourage the committee and Legislature to include a forward-looking inflation factor on the BA. Such a factor would both greatly aid districts in their ability to budget for the provision of education to Texas students, including the ability to provide inflation-adjusted compensation to Texas educators.

We also appreciate the increase in 48.051(c) from 30% to 40%. We would note that in the current year, where there is both a large infusion of new funding and an emphasis on increasing educator salaries, it would be very appropriate to statutorily mandate minimum salary increases for classroom teachers, full-time librarians, full-time school counselors, and full-time school nurses. We recommend the following at a minimum:

Years of Experience	Salary Increase
3	\$2,000
4	\$2,500
5	\$3,000
6	\$4,000
7	\$4,500

8	\$5,000
9	\$5,500
10 or more	\$6,000

Specifying the amount of increase in the bill also has the benefit of ensuring that existing educators see a significant pay increase as opposed to some districts simply increasing overall compensation by increasing the total number of staff. Additionally, it would prevent situations in which districts underestimate the total increase they will receive from HB 2 (which won't be fully known until the settle-up process after the school year ends), thereby undercalculating the amount of educator compensation increases.

We are concerned the addition of (c-1)(2) provides a perverse incentive to artificially underrate an educator for financial or, worse, punitive purposes.

Sec. 1.17 as it relates to the Small and Midsize Allotments and closing teacher compensation gaps:

Decreasing the pay gap between educators working in smaller, often rural, districts and their peers working in larger, typically more urban, districts is a big priority for many of our members. Accordingly, we are grateful for the increase to the Small and Midsize Allotments. However, in addition to the funding increase, we would also like to see a substantial increase in the Minimum Salary Schedule (MSS) to ensure increased funding actually translates to an appropriate salary increase for these educators. We recommend raising the first tier of the MSS to \$45,000 by increasing the salary factor to 0.7306 and replacing the remaining tiers of the MSS with a provision that provides an annual guaranteed raise based on capped inflation (actual CPI not less than 0% and up to 3%) and a 0.05% retention increase, along a safety clause that would allow a one-year pause if a district declared a financial exigency and froze salaries across the board, including all administrative salaries. We refer to this as an infinite step schedule. It has the benefit of both being more responsive to actual economic conditions and not penalizing educators with more than 20 years of experience.

Sec. 1.18 as it relates to the Compensatory Education Allotment:

We appreciate the increases to the Compensatory Education Allotment. We would encourage the committee to consider amendments to or, at a minimum, a study of the statutory uses of this funding, including multi-student programmatic uses of the funding at campuses with high concentrations of students eligible to generate the allotment.

Secs 1.19, 1.29 and 1.30 as they relate to the Teacher Incentive Allotment:

We are not opposed to expanding TIA or increasing the allotment so long as the funding dedicated to that purpose does not preclude the Legislature's ability to provide raises in section 1.16 of this bill in at least the amounts we have requested above.

We are opposed to adding Subsections (g-1) and (i)(1)(B) at this time for the same reasons we oppose the addition of Subsection (d-1) to TEC Section 21.3521 in Section 1.08 of this bill as detailed above.

Sec. 1.20 - as it relates to fine arts funding:

We certainly appreciate funding fine arts instruction. Engagement in the fine arts has been shown to significantly improve student engagement and performance overall. While we do appreciate this additional funding, the creation of this allotment does beg the question, if we already have a CTE Allotment and now a Fine Arts Allotment, what is next? Further, if all areas need an allotment to have adequate funding is that a sign that we simply aren't funding the base adequately to begin with?

Sec. 1.25 - as it relates to ADA:

We appreciate this provision to the extent that it allows more dollars a district is entitled to flow to schools prior to settle-up or reduces the impact of repayment at settle-up of overfunding due to overestimates of projected ADA.

Sec. 1.27 - as it relates to property tax valuations and school insurance costs:

We appreciate the willingness to address both the issues some districts are experiencing when their county appraisal districts set values that fail the comptroller's test and/or they experience extreme regional increases in property insurance rates. These are issues over which these districts have little or no control at the end of the day but that greatly impact their ability to provide students with adequate access to educators and programming.

Article 2 – Teacher Preparation and Changes Related to Employees

Secs. 2.01, 2.04 and 2.11 as they relate to uncertified teachers:

The dramatic increase in the number of teachers hired who are neither certified nor seeking certification is one of the most serious issues impacting public education today. Uncertified teachers not only turn over at significantly higher rates, including in the mid-year abandonment of their positions, but also their students experience significantly lower student outcomes. In addition to the negative impacts of uncertified teachers on their own classrooms, more veteran certified educators report experiencing the strain of attempting to compensate for their uncertified and often

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ill-experienced peers. The rise in teachers not seeking certification can be squarely drawn back to the introduction of the District of Innovation (DOI) law. Prior to the passage of DOI, teachers hired before being awarded a standard certificate had a hard deadline for either earning the certification or exiting the profession, and they were required to show annual progress in the interim. DOI has allowed districts to exempt themselves and, by extension, their employees, from these requirements. With no requirement to hire certified educators on the district's part and no financial incentive to pursue certification on the employee's, general market forces, in addition to other intervening factors, has caused an erosion in the number of prospective teachers entering teacher preparation programs and pursuing certification.

We applaud the authors of HB 2 for taking decisive measures to reverse the policy framework that caused this problem to arise in the first place. The solutions offered in Sections 2.01 and 2.02 of the bill are nearly exactly what we have been asking for since before the 2023 session, and we are glad to see them included in HB 2. We offer two things for the committee's consideration: One, move fine arts into the foundation curriculum. Under current law, there is no significant difference in statutory treatment between subjects on the foundation curriculum list and those on the enrichment list. However, with the passage of section 2.04 of HB 2, districts will have a significant incentive to forcibly reassign certified art and music teachers to cover classrooms where current foundation courses are being taught. Reassigning a teacher in this way against her wishes is ultimately neither good for the teacher nor the students she now reluctantly teaches. By moving fine arts to the foundation list, you remove the temptation for districts to make these reassignments. Two, we recommend you consider adding some language to proposed TEC 21.0032(c) to ensure the \$1,000 the district receives is either shared with the new certificate holder who generated it or, at a minimum, the \$1,000 is a reimbursement for funds the district spent on programming to help educators get certified—not simply an unearned windfall for the district.

Sec. 2.05 as it relates to teacher position data collection:

Thank you for collecting data on vacation positions that will be publicly available.

Sec. 2.07 as it relates to waiver of certification issues:

Proposed TEC 21.0411 – Bilingual and special education are both high-needs areas experiencing significant shortages of available certified educators. We are very appreciative of the waiver of examination and certification fees for these important supplemental certifications.

Proposed TEC 21.0412 – We appreciate the desire to differentiate between various educator preparation pathways and certainly agree that not all pathways or providers are equal in quality. However, we have questions about the benefits of creating separate standard certifications based on preparation pathway. Standard certificates are meant, with renewal, to stay with educators throughout their careers. Although there is little doubt higher-quality preparation pathways have a

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significant impact on the efficiency and resiliency of an early-career educator, there is simply no indication choice of preparation pathway impacts the quality of one experienced educator versus another. One way to resolve this issue would be to designate in statute that a residency standard certificate will be automatically converted to a regular standard certificate upon first renewal. Certification renewal is a five-year cycle, and there is a general feeling in the field that a teacher is considered to be "experienced" somewhere around the five-year mark.

We also question the rationale for differentiating requirements for pedagogy examinations based on preparation pathway. Certification exams, including the pedagogy exam, are intended to ensure an individual candidate has individually gained the knowledge provided by a preparation program, not whether the program is offering the information to the candidate. We would never consider not testing a public school student because they attended schools in Highland Park ISD versus another district, so why would we do the equivalent here? Educators and educator preparation programs (EPPs) have both consistently indicated openness to revamping the Pedagogy and Professional Responsibilities exam if the committee is concerned about the exam's efficacy.

Sec. 2.12 as it relates to commissioner authority to bypass the State Board for Educator Certification:

While we appreciate the committee's desire to move forward on new statutory initiatives around educator preparation, bypassing the State Board for Educator Certification and a process and timeframe that allows educator preparation programs (in particular, institutions of higher education), to do so in the manner suggested by TEC proposed 21.066 and 21.067 seems ill advised, at best. The commissioner simply does not have the expertise these programs possess. Neither he nor the agency has ever run an educator preparation program of any kind, and he should not unilaterally redesign educator preparation on an expedited time frame. While we are in full agreement about the need to proceed with diligence, it is simply far more important to get this right than to get it as fast as possible and without significant input from the field.

Sec. 2.13 as it relates to certification and certification pathway incentives:

Creating financial incentives to differentiate between certified/prepared educators and uncertified/unprepared educators is an extremely worthwhile goal. So is incentivizing use of higherquality preparation programs. That said, it is also important to tie incentives to justified rationale. For example, as mentioned above, there is general agreement that residency preparation programs are a high-quality pathway, but there is no real indication of a significant difference based on preparation pathway in the performance of teachers who have moved past entry level to experienced. As such, it would make sense to provide a hiring bonus for choosing a high-quality preparation pathway, perhaps for a couple years, but it does not make sense to differentiate base pay compared with other certified educators. On the other hand, differentiating base pay between certified and uncertified educators and holding uncertified educators at zero year on the salary

chart until they are certified makes a lot of sense if the goal is to incentivize action post-hiring. We recommend a combination of permanent differentiated salary programs for certified and uncertified educators, along with short-term but significant bonuses above, or outside of, base pay to incent preparation pathway. We recommend leaving off proposed TEC 21.402(f-4) as unnecessary under that framework, particularly as there is concern it might create a reverse incentive for teachers closer to the five-year mark not to get certified, even though certification has benefits around ongoing professional development requirements in addition to initial preparation.

Sec. 2.14 as it relates to rehiring retired educators:

There are many excellent retired educators. Experience would indicate that few of them are looking to return to the classroom. With that in mind, the committee should balance the benefit of the program with the growth in bureaucratic staff at the agency level tied to creating and running each new program.

Secs. 2.15 and 2.16 as they relate to professional development stipends:

We are very appreciative of direct requirements and funding to provide stipends to educators tasked with significant professional development requirements, such as the requirement to complete a literacy or mathematics achievement academy.

Sec. 2.17 relates to teacher quality assistance and a teacher time study:

Improving professional growth, teacher leadership opportunities, and staff retention are worthwhile goals, as is studying the impact of required noninstructional duties. We would note that creating agency-managed programs will grow bureaucratic staff at the agency level and administrative staff at the district level. Should the committee move forward with these provisions, we hope the agency will work with districts to identify real-world best practices before advising districts.

Secs. 2.02, 2.18 and 2.21 relating to the Preparing and Retaining Educators Through Preservice Partnership Program:

While the language addressing uncertified educators is greatly appreciated, and it is clear the authors have a genuine desire to improve the educator pipeline, we fear that proposed Subchapter R — Preparing and Retaining Educators Through Preservice Partnership Program misses the mark. Do we have a shortage of educators, especially highly trained educators in the classroom? Yes, but the primary issues are recruitment and retention. We have far more certified educators in Texas than we have available positions for certified educators. However, we have conditions, financial and otherwise, that have motivated these certified educators to leave the teaching profession. Similarly, the issues with recruitment have less to do with the quality of preparation options and more to do with financial considerations, the cost of education versus teacher salaries, and the prestige of the profession. It is certainly true that education preparation pathways and, to an even

greater extent, the individual programs within those pathways have a fairly wide range in terms of quality and efficacy. However, even there, it is not student teaching, or "preservice practice," that is broken. If an issue is to be addressed with preservice, it is not quality of student teaching or residency; it is the fundamental flaw, or perhaps simply the fundamental facts, around why significant preservice and alternative certification do not align. By its very nature, the overwhelming majority of alternative certification candidates need a full-time job to support themselves. There is an expectation that college students, even those who work part time, have availability during normal working hours to pursue their academic advancement, making them available for student teaching, including residencies, which are, by and large, are already very successfully educating these candidates. This is simply not the reality for most alternative certification candidates, and neither improving the content of the preservice time nor a \$3,000 stipend—far from enough to live on—is going to change that. Therefore, a significant new agency program aimed at improving the quality of preservice practice and the attendant, sizable, increase in bureaucratic FTEs seems unwarranted and misguided as a response.

So what do we do? First, put as much effort as possible into the areas in which recruitment and retention overlap: salary and teacher satisfaction, which impact prestige. Second, increase the incentives for potential educator candidates to pursue educator preparation while they are still in college. Offering a stipend for preservice contact time, such as one amount for a semester of student teaching and a higher amount for a full year of student teaching or a full year of residency, can certainly be part of the solution. However, this would address only a fraction of the cost of traditional educator preparation and certainly does not require the excessive rule-making or a significant new staffed initiative at the agency HB2 ties to funding preservice. If we want bright young people to choose teaching, the cost of getting an education can't be greater than the value of a teacher salary. Beyond increasing salaries, we can also lower the cost of getting an education for potential educators. There is already a framework for this in TEC Chapter 61 Subchapter KK. With minor tweaks, funding, and intentional marketing, the existing program could provide a significant incentive to increase the number of candidates going through high-quality university education programs.

In addition to increasing the number of candidates undergoing the traditional certification route, we should also be more strategic at increasing the pool of candidates for whom obtaining significant and meaningful preservice time is not an issue—our paraprofessionals and specifically classroom aides. Unlike other working/postgraduate candidates looking to transition into teaching, classroom aides are already paid to be in the classroom and already have a deep understanding of public schools. Additionally, focusing on increasing the size and quality of the pool of classroom aides has significant and far-reaching benefits beyond those to educator preparation. In his presentation to multiple legislative committees, Commissioner Mike Morath has recently and often opined about the benefit and cost of high-impact tutoring, often citing a figure of \$1,200 per child receiving the

tutoring. If that amount were translated into additional funding for comp ed, bilingual, SPED students identified by their ARD committee as needing tutoring, and other children outside of these groups who have failed their most recent previous state assessment, the amount would be more than sufficient to provide for classroom aides to, after training and under the supervision of a teacher, deliver that tutoring, largely during the school day. The positive impact of delivering this level of tutoring would alone make this investment worthwhile, but in addition it would have huge benefits on overall classroom working conditions and provide a plentiful supply of future teaching candidates. In fact, experience as a classroom aide is so valuable that in Finland, where getting into a teacher preparation program is very competitive, on par with entering a medical or law program, experience as a classroom aide is one of the surest ways to get in. To give some response of how existing classroom teachers might view dedicating funding to such a program, every teacher we have ever asked to choose whether they would prefer \$5,000 or a paraprofessional in their classroom has chosen the paraprofessional.

Before you move forward with this major new expansion of commissioner authority, agency staffing and just the time and energy this will pull from other educator preparation considerations, we recommend listening to the concerns, comments, and alternative solutions coming from the field.

Sec. 2.19 related to the PEG Grant Program:

ATPE is very supportive of the PEG Grant program, but while allowing a student assigned to a noncertified teacher transfer sounds good in theory, a transfer from one campus to another a full month into the school year is going to be very disruptive for the student and likely should not be incentivized. Perhaps it would make more sense to allow for a transfer to another class being taught by a certified teacher or allowing for transfer upon request as soon as a student knows they have been assigned to the uncertified teacher. Generally speaking, significant unintended consequences are likely to exist for students if we disincentivize placement with a non-certified teacher in this manner.

Sec. 2.20 related to the PEG Grant Program:

The notice required under this section is an excellent addition to the PEG program.

Article 3 – Special Education:

We are extremely appreciative of the change to intensity models that have been championed by special education teachers and parents alike and are also grateful for the inclusion of significant additional special education funding. This funding is perhaps the most significant area, outside of increases to the BA itself, that will free up discretionary dollars districts currently having to reroute from non-special education services to cover the needs of our special education population. We

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would ask that you work with stakeholders to ensure the transition to the new funding model happens as seamlessly as possible without creating significant short-term funding gaps or uncertainty.