



# Texas Association of Community Schools

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## TACS LEGISLATIVE UPDATE

Session is officially underway! Bills are finally being heard in committee and on the floor and the pace is picking up. The House unveiled and heard school finance legislation and the Senate is busy with high profile bills in State Affairs. The Senate Education Committee did not hold an official meeting this week or last.

### 1. House Appropriations Subcommittee on Article III

I'm going to start calling this subcommittee the Monday morning coffee club. They meet on Monday mornings at 7:30 a.m. on the dot! This week they held a formal meeting to discuss House budget requests under Article III. First up in public education was TEA, which worked out for me! The Legislative Budget Board went through each budget request from TEA and the committee followed Representative and Subcommittee Chair Ashby's lead to move each one into Article 11 of the budget. Article 11 is generally where budget requests go to die. Requests included money for Math Innovation Zone grants, high quality pre-K grants, increased staff to work on inappropriate student-teacher relationships, more money for STAAR annual test releases, and additional staffing to more closely oversee Districts of Innovation. The one request that was put in Chapter 11 that Representative Ashby noted he really wants to find a way to fund is the \$25 million to qualify for the matching grant for e-rate funding for broadband. The second set of TEA requests was for riders for various proposals to increase the autonomy and authority of TEA. One was for approval to use dedicated program funds for TEA internal purposes. Representative Ashby and the committee decided not to adopt and support those requests on principle. Next Monday morning, the Article III subcommittee will present their recommendations to the full committee.

### 2. Legislative Conference Call

During Monday morning's TACS legislative conference call, we discussed the bills scheduled for the Tuesday House Public Education Committee meeting. We also discussed the results of a survey the committee did ranking recommendations for revising the A-F system. We have shared those recommendations with architects of the house and senate bills, and we understand that a new accountability bill should be out any minute. We will keep you posted!

### 3. Chairman Huberty's Press Conference on HB 21: School Finance

Representative Huberty held a press conference on Monday afternoon to roll out his finance bill, HB 21. He explained that HB 21 reflects months and months of studying the finance system and includes bipartisan support and input from educators, school boards, and charters. He said that the bill would enable us to improve our schools, reduce the need for higher property taxes, reduce recapture, increase the amount of money in the basic allotment, modernize and simplify transportation, and fund dyslexia. With an additional \$1.6 billion (that House Appropriations is putting in Rider 17), the bill would also repeal the 1992/93 Hold Harmless agreements, and create a 2-year hardship grant program for ASATR districts.

Representative Huberty said that he wants to help kids across the state, and there is no time like the present to begin this process. House Appropriations Chairman Zerwas thanked Representative Huberty for bringing forward this bill and promised to work with him on getting the funding to implement it. Representative Chris Turner, Chair of the House Democratic Caucus, agreed that now is the time to act. Kathleen Zimmer of NYOS Charter in Austin, and Kyle Lynch, superintendent of Canadian ISD, also spoke briefly at the hearing in support of Chairman Huberty's efforts. Joint authors on the bill with Representative Huberty are Representative Zerwas (Chair of House Appropriations), Representative Dutton, Representative Turner, and Representative Ken King.

#### 4. House Public Education Committee Meeting

Chairman Huberty kicked off the meeting on Tuesday at noon, anticipating a long day and night as there were 8 bills to be heard, including his newly released school finance bill, HB 21. He politely let most of the other bills be heard before HB 21, and saved Ken King's ASATR bill to follow. Speaker Straus briefly visited at the start of the meeting, showing his strong support and commitment to addressing public school finance.

##### HB 223 (Howard)

Representative Howard's bill would allow flexibility in using comp. ed. funds to benefit pregnant students or students who are parents. HB 223 would allow comp. ed. dollars to be used for childcare and transportation for these students. This bill has passed out of the House Public Ed Committee in two prior sessions.

##### HB 1245 (Cortez)

Representative Cortez's bill would expand the law to allow CTE funding to apply to 8th grade classes. Several groups testified in support of this bill and expressed the importance of starting CTE early. The fiscal note on this bill is estimated at \$39.7 million in 2018 and \$50.6 in 2019.

##### HB 395 (Bell)

Representative Bell's bill would include technology applications courses in CTE, which would make them eligible for the additional funding that CTE courses receive. There is a fiscal note on this bill also, but the committee substitute pushes the date back a year, so 2018 would not incur any cost. The previously estimated fiscal note had been \$21 million in 2018 and \$24 million in 2019. Representative Bell is awaiting new fiscal projections.

##### HB 186 (Bernal)

Vice Chair Bernal's bill asks the state to conduct a study of the weights for ELL and economically disadvantaged students. There was a strong showing of support via testimony for this study, as the weights have not been updated since the 1980s. Chandra Villanueva of the Center for Public Policy Priorities (CPPP) pointed out that when these weights were adopted 30 years ago, they were only half of what had been recommended at that time!

##### HB 587 (Bohac)

Representative Bohac's bill is similar to Representative Bell's HB 395 in that it would allow technology applications courses (including computer science) to get CTE funding. There is a fiscal note of \$21 million in 2018 and \$23 million in 2019, and Representative Bohac is trying to get an appropriations rider.

##### HB 883 (King, Ken)

Representative King's HB 883 also addresses the issue raised in HB 395 and HB 587. HB 883 has a very large fiscal note, as it raises the CTE weight from 1.035 to 1.6. When Chairman Huberty asked him about whether he had a rider,

Representative King jokingly offered to use Huberty's \$1.6 billion rider for HB 21. They all got a good laugh, but Huberty suggested that Rep. King find his own rider.

## HB 21 (Huberty)

In introducing the bill, Representative Huberty revisited some of what he had discussed at Monday's press conference. He explained that HB 21 would:

1. Increase the Basic Allotment from \$5,140 to \$5,350 per student, each year of the biennium by:
  - a. Creating new transportation funding at \$125 per student through the basic allotment (benefiting charters and Chapter 41 districts which have not previously had access to transportation funding).
  - b. Rolling funding for the High School Allotment into the Basic Allotment.
  - c. Rolling funding for Additional State Aid for Non-Professional Staff into the Basic Allotment.
2. Reduce the amount of money that local taxpayers would pay in Recapture by \$163 million in 2018 and \$192 million in 2019.
3. Provide a 1.1 weighted funding for students with dyslexia. Approximately 154,000 Texas students were identified with dyslexia in 2016-17. The bill limits funding to 5% of a district's students, similar to the capped funding for Gifted and Talented.
4. Repeal a Hold Harmless for school districts identified as Chapter 41 in 1993.
5. Create a Hardship Provision Grant that provides assistance for districts experiencing a hardship as a result of the expiration of ASATR. He reminded people throughout the hearing that if they do nothing, ASATR goes away. This fund would not exceed \$100 million each year for the next two years. The maximum any district could qualify for would be no more than 10% of the total amount of funds available for that year.
6. HB 21 would be funded by a \$1.6 billion contingency rider in the appropriations bill.
7. 95% of districts and charters will be better off under this new plan.

Before turning to public testimony, Representative Ken King asked why the hardship grants would be available to ASATR districts to provide a "glide path" (rather than a cliff) but the 1993 hold harmless districts weren't given the same opportunity for a glide path. He asked Representative Huberty to allow them to apply for the hardship grants as well. Representative Huberty asked for input from the committee about how best to generate the hardship grants and how to prioritize need among the many districts that have been dependent on ASATR and hold harmless money. It appears he will likely prioritize districts that are losing ASATR AND hold harmless, but he will work on clarifying the methodology for accessing the grants. When Von Byer, General Counsel for TEA spoke, he asked the committee to be as specific as possible about how to prioritize and whether the funds should be evenly shared, prorated, etc. The clearer the legislature is on the program, the less latitude will be left for the commissioner's interpretation.

The vast proportion of public testimony was in favor of the bill. Parents, school board members, superintendents, and associations all expressed gratitude to Chairman Huberty and the Speaker for prioritizing school finance and trying to inject additional funds via the Basic Allotment. Arati Singh spoke for Texas PTA and its half a million members in thanking Rep. Huberty for the bill and increased funding. She said that PTA would like to see the state shoulder more of the responsibility rather than relying on local taxpayers. She also asked that money raised through property taxes for public

education be used for public schools. David Dunn, Executive Director of the Texas Charter School Association supported the step forward and transportation funding, but put in another plug for facilities funding for charters. Chandra Villanueva of the Center for Public Policy Priorities (CPPP) said that they would like to see a statutory change to ensure this money goes into the Basic Allotment. She also advocated for a study on weights to update them from outdated values for ELL and economically disadvantaged, in addition to the new dyslexia weighting. She also expressed concern over rolling the transportation funding into the formula. Bill Grusendorf from the Texas Association of Rural Schools asked Huberty to fix the 300 square mile penalty. Mike Motherall, of the Small Rural School Finance Coalition registered neutral on the bill, as many of his districts will take a double hit, losing ASATR and the 92/93 hold harmless. He urged Representative Huberty to consider funding the hardship grant at a higher rate. He also pointed out that the runs don't reflect the amount of money ASATR districts will lose. Amy Beneski of TASA testified for the bill, but said that she would like ALL districts to benefit. Monty Exter from ATPE suggested that next steps might include looking at weights and asked Rep. Huberty to consider including language in HB 21 that would begin a study of weights so that would be done before the next session. Lynn Moak of Moak & Casey testified for the bill but registered some concerns and recommendations to improve it. Rep. Huberty sought his insight as well on how to distribute hardship grants most fairly. One of the best quotes of the day was from Bret Begert, school board president of Fort Elliott CISD, which is a chapter 41 hold harmless recipient, an ASATR district, and also pays recapture. He said that when ASATR is gone, the amount of recapture will exceed what they get. He said, "We're small and we think we should share. We just don't think we should go broke doing it." Overall, the testimony moved along and Representative Huberty asked the bulk of the questions. He noted many of the recommendations and said that he expects to work on the bill this week and to have a committee substitute to discuss at the hearing next week.

#### HB 811 (King, Ken)

Ken King introduced the bill and said that he strongly supports HB 21 and the hardship grant program created for ASATR districts. He said that this bill to extend ASATR would be necessary if for some reason HB 21 is not adopted. HB 811 would extend ASATR four years until 2021. Many people registered to testify for the bill, including superintendents representing ASATR districts. Some said that if ASATR goes away, they would have to close their doors. They urged the committee to let ASATR continue, and supported Rep. King's bill to delay expiration until 2021. Some opponents of the bill testified as well, including CPPP, MALDEF, and the Equity Center. Opponents said that if districts were not thriving without ASATR, it was a function of the formula and the weights, both of which need revising and updating.

Much to Chairman Huberty and the committee's credit, the meeting went exceedingly smoothly and wrapped up in a record (for House Public Ed) five and a-half hours! Representative Huberty's earlier prediction that attendees should have brought sleeping bags was fortunately proven unnecessary!

#### 5. The Bathroom Bill: Senate Bill 6

Also on Tuesday, a more high profile meeting was taking place in the Capitol. The Senate State Affairs Committee met to hear SB 6, Lieutenant Governor Dan Patrick's bathroom bill, which is being carried by Senator Kolkhorst. The hallways were packed all day with the over 430 people who registered to testify on the bill. The hearing began at 8 a.m. and continued until almost 5 a.m. Wednesday morning. During the course of the hearing, 253 witnesses spoke against SB 6 and its detrimental effects on transgender Texans who already have an extremely high (40%) attempted suicide rate. The Texas Association of Business (TAB) and other business leaders spoke against the bill as well and warned about loss of revenues as a result of legislation that is discriminatory in nature. In contrast, 29 witnesses urged the committee to support the bill. Early Wednesday morning, the committee voted 8-1 in favor of SB 6 and it will move to the Senate floor soon. Dan Patrick has promised this will pass in the Senate, however SB 6 is not a priority for the Speaker. Governor Abbott has not weighed in on this issue, in spite of requests from the Speaker to do so.

## 6. Inappropriate Student-Teacher Relationships: SB 7: On the Senate Floor

Wednesday afternoon, Senator Bettencourt's SB 7 creating harsher penalties for improper teacher-student relationships was heard on the Senate floor. He introduced a committee substitute and accepted several amendments. The bill was passed with unanimous support from the 31 senators. The next stop for SB 7 would be at the House Public Education Committee. We will read through the committee substitute and amendments and update you on the changes. We will also let you know when this bill gets scheduled for a hearing in the House.

We had an earlier than usual deadline this week, so we are sending you the news through Wednesday. We will resume our regularly scheduled Friday Legislative Updates after spring break. The next update will cover next week and the following week!

Have a great break,

Laura Yeager

TACS Governmental Relations