



# Texas Education Agency

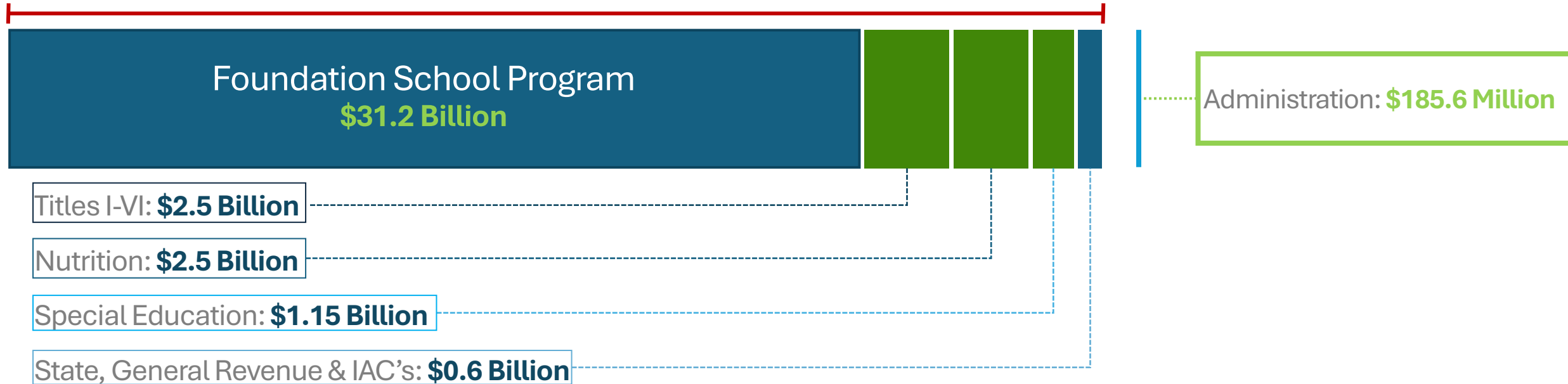
Legislative Appropriations Request Overview – 89<sup>th</sup> Legislature

- Every two years before the Legislative Session begins, state agency heads are asked to submit a Legislative Appropriations Request to the Legislative Budget Board (LBB).
- These are non-binding budget documents, detailing possible spending plans for that agency, considered by the legislators during their deliberations. The legislature ultimately makes final appropriations decisions via the General Appropriations Act.
- Instructions to agency heads typically identify the parameters under which they are allowed to submit. This includes being given a base appropriation target for the agency by the LBB. Agencies are permitted to submit budgets that have amounts no greater than those appropriation targets. Agencies are permitted to submit separate exceptional items to request money that goes above the base appropriation target.
- For TEA in particular, the agency budget includes the budget for public education via the Foundation School Program and related programs. The base appropriation target includes special guidance from LBB to ensure the agency's request for the Foundation School Program is fully funded based on projected enrollment, attendance, and related items given FSP entitlements under current law.

# FY 2025 TEA Agency Budget: \$38.1 Billion

The Texas Education Agency is responsible for the wise fiduciary stewardship of **\$38.1B** in state and federal funding and agency administrative costs totaling **\$185.6M**

Pass-through Dollars





# TEA 2026-27 LAR: Base Request

# Highlights of TEA's 2026-27 LAR Request

- ✓ Fully funds current law requirements for the Foundation School Program
- ✓ Sustains funding for core, ongoing programs, while removing one-time items from prior Legislature
- ✓ Continues funding for all 24-25 biennial legislative actions (except K-12 Cybersecurity & administrative support for The 1836 Project Committee)



# The FSP portion of the LAR comes from district attendance & property tax projections

- Attendance Projections & the Foundation School Program (FSP)
  - Projections module application opened this week on **Tuesday, October 15, 2024**
- Attendance projections made by school systems are estimates of student average daily attendance (ADA), enrollment, or full-time equivalent (FTE) counts by program or instructional setting.
- School systems may enter their own projections or accept TEA's projections.
  - Due Date: **December 16, 2024.**
- TEA will provide the projections to the Legislative Budget Board by March 1, 2025.
  - The Legislature then uses these projections to determine the estimated cost of public education for the next biennium (school years 2025–2026 and 2026–2027).
- See this TAA: <https://tea.texas.gov/about-tea/news-and-multimedia/correspondence/taa-letters/attendance-projections-for-the-2025-2026-and-2026-2027-school-years>



# Article III Funds for School Finance

| Method of Finance | 18-19<br>GAA Adopted | 18-19<br>Actual | 20-21<br>GAA Adopted | 20-21<br>Actual      | 22-23<br>GAA Adopted | 22-23<br>Actual      | 24-25<br>GAA Adopted | 24-25<br>Estimated   | 26-27<br>LAR         | LAR Biennial<br>Change vs<br>Estimate |
|-------------------|----------------------|-----------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------------------------|
| General Revenue   | \$36.6B              | \$35.9B         | \$44.7B              | \$41.6B              | \$41.1B              | \$34.7B              | \$34.0B              | \$35.5B              | \$35.0B              | (\$0.5B)                              |
| Federal Funds     | \$10.5B              | \$11.0B         | \$10.7B              | \$29.4B <sup>1</sup> | \$11.8B              | \$13.7B <sup>1</sup> | \$12.5B              | \$12.7B              | \$13.7B              | \$1.0B                                |
| Other Funds       | \$8.3B               | \$8.9B          | \$9.2B               | \$9.6B               | \$12.9B              | \$15.7B              | \$30.1B <sup>2</sup> | \$30.1B <sup>2</sup> | \$28.1B <sup>2</sup> | (\$2.0B) <sup>3</sup>                 |
| All Funds         | \$55.4B              | \$55.8B         | \$64.6B              | \$80.6B              | \$65.8B              | \$64.1B              | \$76.6B              | \$78.3B              | \$76.8B              | (\$1.5B)                              |

<sup>1</sup> Includes \$18.2B in Coronavirus Relief Funds expended in 20-21 and 22-23 combined

<sup>2</sup> Includes Property Tax Relief and Tax Reduction funding *increases* of \$12.9B in 24-25 and \$13.3B in 26-27 over 22-23. Actual is \$7.9B out of the \$15.7B for 22-23.

<sup>3</sup> Includes estimated reduction of \$2.48B in recapture.

All numbers for 2026-27 are estimates, subject to change.



# TEA LAR: 89<sup>th</sup> Exceptional Items



# Summary of Exceptional Items:

## 1. **Complaints & Misconduct Investigations Support:** \$17.7M biennial total

To ensure appropriate oversight and reduce the likelihood of harmful statutory violations in our schools, TEA requests \$3.5M per year to expand the overall investigative team, \$4.6M per year to replace lost SBEC fee revenue that funds the existing investigative team, and \$1.4M to deploy a more effective case management software system to handle the growing volume of complaints.

- The volume of general complaints has more than doubled in recent years (1,265 in FY2019 to 2,595 in FY2023)
- There were more than 12,500 educator misconduct matters in FY2023.

## 2. **Special Education:**

The 87th Texas Legislature established the Texas Commission on Special Education Funding to evaluate and offer recommendations related to state special education funding.

- Reforming current funding mechanisms and targeting new investments so that funds better match the specific and varied costs of delivering special education services.
- Requires statutory changes

# Summary of Exceptional Items:

## 3. Teacher Preparation:

More than 34% of new teachers in FY2024 were uncertified, up from 13% in FY2020. Evidence shows that certain teacher preparation pathways lead to greater teacher retention and better student outcomes. Governor Abbott's 2023 Teacher Vacancy Task Force report identified training and support as a critical area in need of attention, especially for those entering the teaching profession.

- Improving initial teacher preparation, including expanding investments in the teaching pipeline and high-quality preservice preparation programs.
- Expanding existing investments in new teacher mentoring
- Requires statutory changes

## 4. Strategic Teacher Compensation:

Another recommendation from Governor Abbott's 2023 Teacher Vacancy Task Force report is to increase teacher compensation. While average teacher pay in Texas has grown markedly, reaching roughly \$62.5k in the 2023-24 school year, inflation is a concern, and teacher compensation still remains structured in a way that is quite flat – the typical teacher receives a very small raise each year, regardless of performance or duty area.

- The Task Force recommended increases in overall and strategic compensation practices, enhancements to total compensation packages, and the implementation of more targeted incentives for hard-to-staff areas.
- Requires statutory changes.

**5. Windham School District:** \$14.7M biennial total

Windham is requesting to continue funding the expansion of their academic, life skills and career and technical education (CTE) to new campuses.

- Expansion is for eligible students within the Texas Department of Criminal Justice (TDCJ).
- Includes 86 additional staff including 49 teachers.
- The 11 campuses provides 1,080,374 contact hours per year to 5,739 students.