



LEGISLATIVE SESSION UPDATE

TEXAS 89TH LEGISLATIVE SESSION
SCHOOL FINANCE BILL – HOUSE BILL 2

For consideration and guidance: HB 2 impact to Rockwall ISD – Comparison to RISD Legislative Priorities

SUMMARY

House Bill 2 is the House school finance bill that covers a wide range of areas. The following are some of the most significant changes:

- Allocates \$3.2 billion to increase the basic allotment by \$220.
- Requires 40% of the increase to be spent on compensation (an increase from 30%), and 75% of that 40% specifically on teachers, counselors, librarians and nurses.
- Allocates \$1.8 billion to increase special education funding and transitions to funding based on the intensity of services, provides \$1,000 for each special education evaluation.
- Increases the compensatory education allotment by roughly \$32 per student.
- Creates a fine arts allotment of \$51 per student.
- Broadens the Teacher Incentive Allotment by increasing TIA allotments for existing designations and adding new designations.

SCHOOL FINANCE BILL House Bill 2

\$3.2 billion to increase Basic Allotment
\$1.8 billion to increase SPED funding

IMPACT ON ROCKWALL ISD

ROCKWALL ISD LEGISLATIVE PRIORITIES

PRIORITY #1: BASIC ALLOTMENT / TEACHER PAY

HB 2: Basic Allotment
Increases the basic allotment by \$220

New BA = \$6,380
\$220 estimated increase to Basic Allotment
Est. \$5.2 million annual increase for RISD

RISD Proposed BA = \$7,655
Note: HB 2 proposal would only replace 15% of the lost buying power since 2019

HB 2: Teacher Pay
Increases the mandatory spending requirement for teacher pay from 30% to 40%.

\$1,250 est. teacher raise
Based upon current law requirements, this would equal an estimated 2.0% increase for teachers across the board

RISD Proposed = \$5,500 minimum
- Current law requires an increase to teacher pay when the BA is increased.
- Increasing the BA to \$7,655 would require an est. 9.0% raise for teachers

PRIORITY #2: BASIC ALLOTMENT INDEX

HB 2: Basic allotment index
No funding earmarked or language included

\$0

RISD proposed creating Basic allotment index adjustment factor to reflect changes in consumer price index

PRIORITY #3: SPECIAL EDUCATION FUNDING

HB 2: Special Ed funding
Transitions to funding based upon intensity of services

\$0.9 Billion
Estimated annual increase

Address **\$1.833 billion annual shortfall** in funding special education services

PRIORITY #4: SCHOOL SAFETY FUNDING

HB 2: School safety funding
Does not allocate funding for school safety allotment

\$0

Address **\$2.0 million annual shortfall** to comply with HB 3 (2023) safety requirements