

# Texas Education Agency

## Legislative Appropriations Request – 90th Legislature

Texas Education Agency

# LAR Process

- 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 2027 TEA & K-12 Appropriations Budget: $43.7 Billion

The Texas Education Agency is responsible for the wise fiduciary stewardship of **$43.7B** in state and federal funding and agency administrative costs totaling **$218.2M**

Pass-through Dollars

Foundation School Program
**$36.0 Billion**

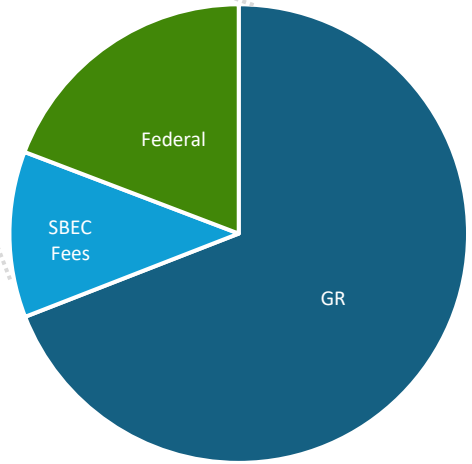
Titles I-VI: **$2.7 Billion**

Nutrition: **$2.9 Billion**

Special Education: **$1.2 Billion**

State, General Revenue & IAC's: **$0.7 Billion**

Administration: **$218.2 Million**



# Highlights of TEA's 2028-29 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
- ✓Incorporates 3 percent admin funding reduction requirement
- ✓Includes a reduction of 140 FTEs at TEA



# GAA Article III Funds for School Finance

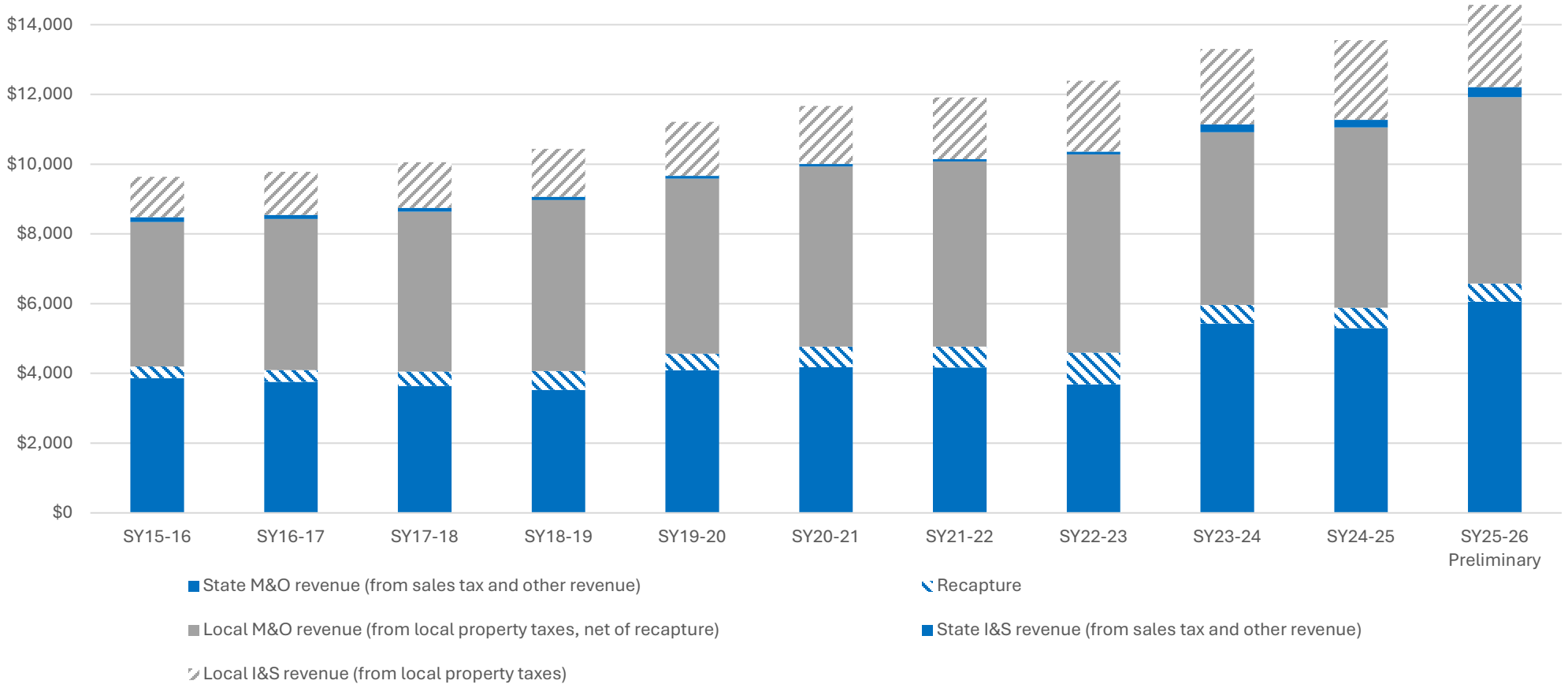
| Method of Finance | 20-21 GAA Adopted | 20-21 Actual | 22-23 GAA Adopted | 22-23 Actual | 24-25 GAA Adopted | 24-25 Actual | 26-27 GAA Adopted | 26-27 Estimated[6] | 28-29 LAR* | LAR Biennial Change vs Estimate |
|---|---|---|---|---|---|---|---|---|---|---|
| General Revenue | $44.7B | $41.6B | $41.1B | $34.7B | $34.0B | $35.7B | $42.7B[3] | $44.0B | $49.3B[5] | $5.3B |
| Federal Funds | $10.7B | $29.4B[1] | $11.8B | $13.7B[1] | $12.5B | $14.4B | $13.7B | $14.1B | $13.7B | ($0.4B) |
| Other Funds | $9.2B | $9.6B | $12.9B | $15.7B | $30.1B[2] | $27.5B | $33.6B[4] | $33.7B | $34.3B | $0.6B[5] |
| All Funds | $64.6B | $80.6B | $65.8B | $64.1B | $76.6B | $77.6B | $90.0B | $91.8B | $97.3B | $5.5B |

Note: FSP funding for public education also includes local property taxes, not appropriated in the General Appropriations Act, so those amounts are not included in the above chart.

[1] Includes $18.2B in Coronavirus Relief Funds expended in 20-21 and 22-23 combined
[2] Includes $12.9B increase in Property Tax Relief and Tax Reduction funding
[3] Includes $8.1B increase related to 89th Session HB 2 and related legislation
[4] Includes $3.9B increase related to 89th Session additional property tax relief and $1.6B decrease in recapture
[5] Reflects Foundation School Program projections using prior biennium estimates of 2028-29 ADA and property values estimates from last year of prior biennium
[6] Amounts include supplemental appropriations, Unexpended Balances (UB) and/or carryforward amounts from prior biennium

*All numbers for 2028-29 are estimates, subject to change through the appropriations process.

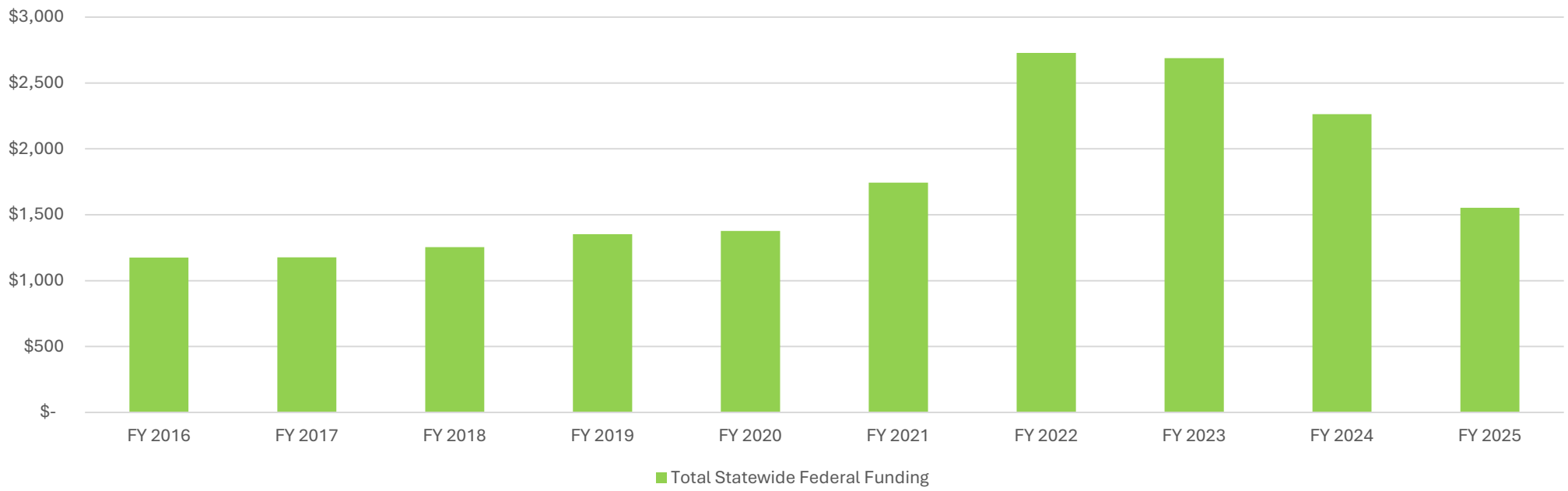
# FSP Funding per ADA Over Time



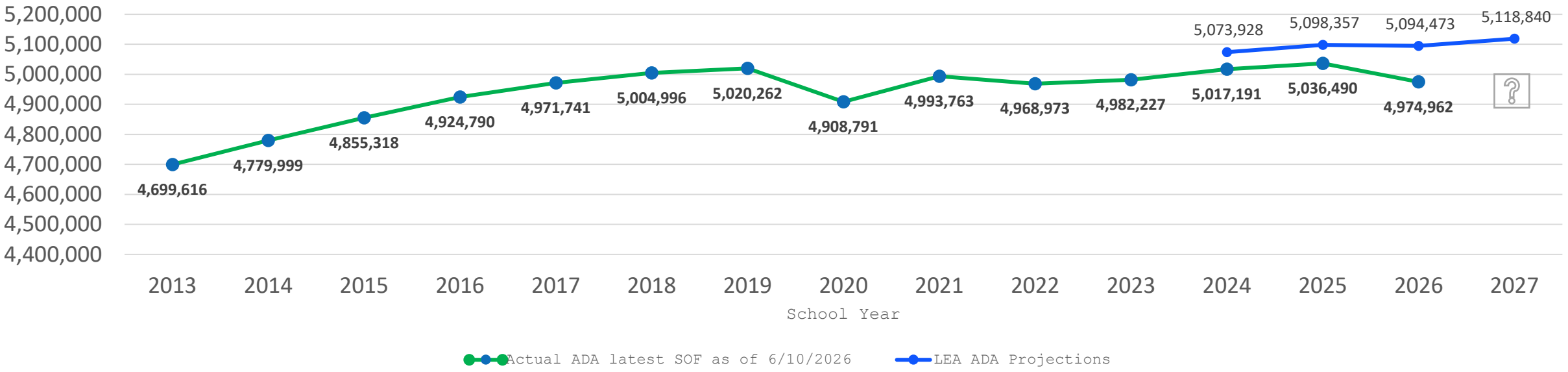

Total annual state and local FSP revenue per student in ADA increased from $9,636 in SY 2016 to $14,568 in SY 2026, an increase of 51%.

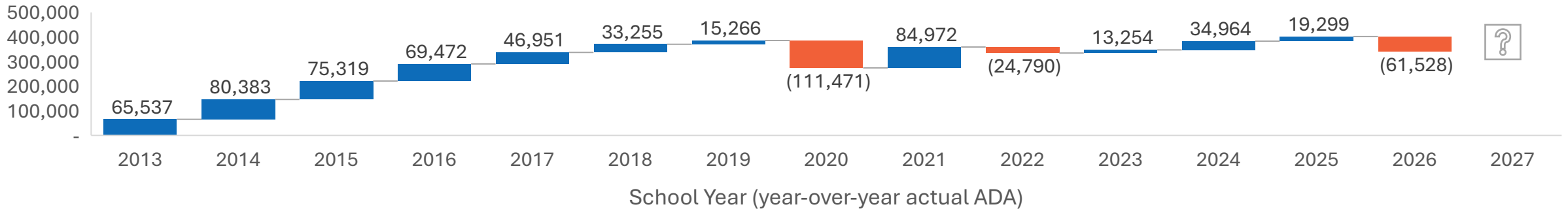
Other notable state funding, not included in these FSP figures, includes Technology & Instructional Materials (~$160 per ADA / yr) and TRS On Behalf (~$560 per ADA / yr)

# Federal Funding per Student has decreased



# ADA Projections vs Actuals (Total and Year-over-Year)




FSP projections are based in large part on ADA projections, and those projections get finalized toward the end of session after projections are provided by school districts.