

DATE:	September 18, 2025
SUBJECT:	HB 2 Implementation: Preparing and Retaining Educators through Partnership Program Allotment
CATEGORY:	HB 2
NEXT STEPS:	Share with school system administrators and educator preparation program partners; register for PREP Program informational webinars

Overview

This correspondence provides guidance and timelines for the Preparing and Retaining Educators through Partnership (PREP) Program Allotment.

House Bill 2, passed by the 89th Texas Legislature and signed into law in June 2025, established the PREP Program Allotment to strengthen the quality of teacher recruitment, preparation, and mentorship across the state. Participation in the PREP Program Allotment is optional for eligible districts and open-enrollment charters.

PREP Program Allotment Applications and Funding

The PREP Program Allotment provides funding for five partnership types, listed in the table below. Districts and open-enrollment charter schools may apply for funding for the PREP Preservice Residency Program, Grow Your Own Program, and the Mentor Program through the [LASO Cycle 4](#) process. Applications for the PREP Traditional and Alternative Preservice Programs will be available through LASO Cycle 5 in fall 2026.

Funding is provided via foundation school program formulas and is available for every school system in the state. Each PREP Program type includes a specific funding formula structure in statute and provides funding for up to a specific number of supported teacher candidates or employees per year per school system. For PREP Preservice Programs, the exact funding a school system would receive for an individual depends on whether the school at which the teacher works is rural and the level of socio-economic need at the school where the individual is placed. There are certain statutory requirements related to allotment spending. The chart below provides a high-level summary, but complete details will be provided in LASO Cycle 4 informational webinars (see information below).

PREP Program	Yearly applications are initially available	First year for which funding is available	Funding per qualifying individual	Cap of individuals
PREP Preservice Residency Program*	LASO Cycle 4 Oct 1 – Dec 1, 2025	2026-27	\$24,000-\$39,500*	40
PREP Grow Your Own Program	LASO Cycle 4 Oct 1 – Dec 1, 2025	2026-27	\$8,000-\$12,000	40
PREP Mentorship Program	LASO Cycle 4 Oct 1 – Dec 1, 2025	2026-27	\$3,000 per beginning teacher	40

PREP Preservice Traditional Program	LASO Cycle 5 Fall 2026	2027-28	\$10,000- \$21,500	80 total
PREP Preservice Alternative Program	LASO Cycle 5 Fall 2026	2027-28	\$10,000- \$21,500	

**Ranges from \$24,000-39,500 per resident with multipliers for High needs/Rural \$3,000 per resident; SPED or Bilingual \$2,000 per resident.*

Note: The PREP Program Allotment is not a grant, and applications to PREP Programs will be addressed outside of the eGrants system. The LASO 4 process is being used to facilitate formula funding programmatic applications.

Upcoming Informational Webinars

All interested PREP Program Allotment participants are highly encouraged to attend the relevant LASO Cycle 4 informational webinars listed below. Click on the hyperlink to register for the event.

Webinars	Date and Time
PREP Program Overview webinar - option #1	October 8, 2025 12:30–1:30 PM
PREP Program Overview webinar - option #2	October 9, 2025 11:00–12:00 PM
PREP Mentorship Program webinar - option #1	October 8, 2025 3:30–4:30 PM
PREP Mentorship Program webinar - option #2	October 10, 2025 12:30–1:30 PM
PREP Residency Preservice Program webinar - option #1	October 15, 2025 11:00–12:00 PM
PREP Residency Preservice Program webinar - option #2	October 20, 2025 2:00–3:00 PM
PREP GYO Program webinar* - option #1	October 21, 2025 9:30–10:30 AM
PREP GYO Program webinar* - option #2	October 23, 2025 2:00–3:00 PM
Texas Strategic Staffing for Residencies (TSS) program webinar - option #1	October 15, 2025 12:30–1:30 PM
Texas Strategic Staffing for Residencies (TSS) program webinar - option #2	October 23, 2025 11:00–12:00 PM

**Note: LEAs will only be eligible for GYO Program if they also apply for the Residency Preservice Program.*

PREP Preservice Residency Program Overview

The PREP Residency Preservice Program empowers school systems to fund paid preservice teacher residency programs, providing candidates with extensive, yearlong clinical practice under the supervision of a host teacher. The program's allotment funding flows directly to school systems and EPPs to fund the program implementation, including candidate pay, mentor stipends, and training and administrative costs.

PREP Grow Your Own (GYO) Program Overview

The PREP Grow Your Own Program provides funding through which participating school systems support (1) school system employees who do not hold a teaching certificate in completing a bachelor's degree and enrolling in a preparation program to ultimately become a certified teacher while employed by the school system and (2) high school students in completing career and technical education courses that help prepare the students to become classroom teachers. Funding may be used to implement the PREP Grow Your Own Program and pay tuition and fees for participating students or employees. For the LASO Cycle 4 application, school systems may only participate if they have been approved to participate in a PREP Residency Preservice Program.

PREP Mentorship Program Overview

The PREP Mentorship Program provides districts interested in implementing high-quality new teacher mentorship programs with funding to (1) provide, at a minimum, \$1,000 to the mentor teacher, (2) train all required district mentorship staff via the Texas Mentorship Training, and (3) provide release time for mentor teacher and beginning teacher mentoring activities. Any remaining funds may be used on strategic staffing training.

Differentiating Teacher Starting Pay

House Bill 2 also established requirements for school systems to differentiate compensation for beginning teachers based on their certification status and type under Texas Education Code, §21.402.

Policy References

- New Texas Education Code (TEC), §21.901 – Definitions
- TEC, §21.402 - Minimum Salary Schedule for Certain Professional Staff
- New TEC, §21.901 – PREP Preservice Programs
- New TEC, §21.904 – PREP Preservice Residency Program
- New TEC, §21.906 – PREP Grow Your Own Program
- New TEC, §21.907 – PREP Mentorship Program
- New TEC, §48.157 – PREP Program Allotment
- The Texas Education Agency (TEA) anticipates posting rules for the PREP Program Allotment for public comment during the 2025-26 school year, which would become effective prior to the start of the 2026-27 school year. TEA anticipates sharing specific dates related to rulemaking in the coming months.

Contact

- PREP Preservice Residency Program: teateacherresidency@tea.texas.gov
- PREP Grow Your Own Program: gyogrant@tea.texas.gov
- PREP Mentorship Program: mentorship@tea.texas.gov