



89th Session Introduced Budgets

SB 1

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- Sustains funding for core, ongoing programs, while removing one-time items from prior Legislature
- Continues funding for all 24-25 biennial legislative actions and funding priorities

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SB 1/HB 1: Highlights of TEA Article II 2026-27 Budget



Method of Finance	FY 2020-2021 (Actual)	FY 2022-2023 (GAA)	FY 2024- 2025 (Base)	FY 2026-2027 SB 1 HB 1	Biennial Change 2024-25 – 2026-27 SB 1 HB1
State Funds*	\$51.2 B	\$54.0 B	\$64.2 B	\$75.1 B \$75.6 B	\$10.9 B \$11.4 B
Federal Funds**	\$29.4 B	\$11.8 B	\$12.5 B	\$13.7 B	\$1.2 B
All Funds***	\$80.6 B	\$65.8 B	\$76.7 B	\$88.8 B \$89.3 B	\$12.1 B \$11.4 B

* Includes recapture; HB 1 includes an additional \$0.5B in estimated Property Tax Relief

** Includes \$18 B in Coronavirus Relief Funds expended in 20-21

*** Does not include Local or Other Funds

SB 1

- **\$51.0 billion** for the 2026-27 biennium to provide **new tax relief** and to maintain tax relief provided by the legislature following the enactment of House Bill 3, Eighty-sixth Legislature, Regular Session.
- **\$400M** as a contingency for SB 260 relating to the **School Safety Allotment** under the Foundation School Program.
- **\$4.85B** for **Increased Teacher Compensation** including **\$50M** for **Teacher Retirement System** to incorporate the increased compensation and **\$750M** for Increased Teacher Compensation through increases in the **Teacher Incentive Allotment**.
- **\$1.0B** as a contingency for **Education Savings Accounts**.

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- **\$400M** as a contingency for legislation relating to the **School Safety Allotment** under the Foundation School Program.
- **\$4.85B** as a contingency for **Public Education Funding Increases**.
- **\$1.0B** as a contingency for **Education Savings Accounts**.



TEA's 2026-27 LAR: 89th 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. NEW OER Support: \$1 (TBD via Supplemental Appropriations)**
 - HB1605 included Texas Education Code 31.0752 that requires TEA to provide a program to assist school systems in using open education resource instructional materials. This program provides funding that covers the cost of training for teachers, principals, and district leaders on how to best use the state's Bluebonnet Learning instructional materials.
 - Base level funding has been provided given upon estimates of demand at the time HB 1605 was adopted.
 - Demand for this kind of implementation support has come in significantly higher than original estimates (more than 2x).
 - Additional funding would allow the agency to provide funds to more districts who have requested funds to ensure strong implementation of Bluebonnet Learning.

3. **Special Education: \$1 (TBD by Legislation)**

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



4. **Teacher Preparation: \$1 (TBD by Legislation)**

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 change

5. **Strategic Teacher Compensation: \$1 (TBD by Legislation)**

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 change



- 6. 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.