



September 24, 2020

The Honorable Dan Huberty  
Chairman, House Public Education Committee  
P.O. Box 2910  
Austin, TX 78768

Re: Request for Information, Interim Charge 1A, Question 1

Dear Chairman Huberty:

The Texas Public Charter School Association (“TPCSA”) is the statewide membership organization for effective charter schools of all types, proudly representing nearly 330,000 students at more than 700 open-enrollment charter school campuses. We appreciate the opportunity to submit a response to Interim Charge 1A broadly, especially concerning HB 3 overall, followed by addressing Question 1 regarding the Teacher Incentive Allotment Program.

Remarks on HB 3 Broadly

The passage of HB 3 by the 86th Texas Legislature was a decisive victory for all Texans. You and your colleagues tackled some of the most complex, longest-standing problems in school finance. This bill provides more, and more equitable, resources for the state’s classrooms; rewards teachers for their service; and provides much-needed relief to taxpayers. These profoundly positive changes will reverberate, from Amarillo to Brownsville, for years to come.

**This is why TPCSA urges the Legislature to protect the key elements of HB 3 and avoid implementation delays to the greatest extent possible.** We recognize the pandemic has created sudden and acute budgetary pressure on the state that will require creative problem-solving. But the historic investment lawmakers made in public education is critical to the long-term prosperity of Texas.

Public charter schools play a crucial role in unlocking the true potential of that investment. Our schools serve a disproportionate share of the state’s low-income students; Black and Hispanic students; and students who are learning English. These are exactly the communities prioritized by many of HB 3’s most significant funding allotments. Already, charters are sending more students in all of these groups to college — and equipping them to graduate — than ever before.

Given this remarkable success, **we ask that lawmakers and state agencies ensure charters are treated fairly during all decision-making surrounding the structure or implementation of HB 3.** Our schools must not bear any greater burden than ISDs in the event cuts or delays must be considered.

#### Response to Interim Charge 1, Question 1

Prior to HB 3, most school systems in Texas increased teacher pay based on seniority rather than performance. This outdated system contributed to a high demand for quality educators, fewer educators entering the profession, high turnover rates, and economically disadvantaged urban and rural schools facing continual teacher shortages.

One of the more transformative components of HB 3 was the creation of the Teacher Incentive Allotment (“TIA”) program. The TIA was established with the stated goals of creating strong local teacher designation systems, which focus on increased student achievement, and creating a pathway to competitive salaries for educators who teach in high-needs areas.

The Texas Education Agency (“TEA”) is implementing the TIA in a series of cohorts. Districts in the first two of these cohorts are far enough along in the process to have already promised educators at selected campuses additional compensation, beyond their base pay, tied to their performance:

1. Cohort A (a total of 26 districts statewide, of which 12 are charter districts) already had TEA-approved designation systems for merit pay in 2019-20. These districts have rated their teachers and received TIA funding.
2. Cohort B is collecting data for their teacher designation systems with the expectation teachers will receive TIA funds at the end of the current school year.

TEA also provided TIA funding for each National Board Certified Teacher (“NBCT”). Districts that received TIA funding as a part of Cohort A and/or due to their NBCTs constitute 95% of all Texas school districts.

Many teachers have made employment decisions based on this information. Should TIA funding be delayed, schools would be forced to make a difficult choice between rescinding promised pay increases to the educators who earned these increases, and that low-income neighborhoods need most, or covering the shortfall using funds previously designated for other purposes.

Public charters, which are concentrated in low-income areas and tend to be smaller districts, have embraced the TIA program as a helpful way to keep great teachers in their classrooms:

- TIA was used at 783 (almost 100%) of charter campuses statewide, either as part of Cohort A or due to their National Board Certified Teachers. These 783 charter campuses received \$30.2 million in TIA funding for 2019-20.
- The average charter receives about 5% more per highly-rated teacher via TIA than the average ISD because charters are more densely concentrated in lower-income areas.

Moreover, public charters employ far more teachers of color than ISDs, including more than five times as many Black teachers (22% vs. 5%). Statewide and nationwide, these educators both join and remain in the profession at lower rates than their white counterparts; they also receive less compensation. The TIA helps charters recognize and reward great teachers of color who serve their communities well.

Cohorts C and D are in the early planning stages of their local designation systems. While these schools would be disappointed to lose their TIA funding, teacher turnover is less likely to result because teachers in these schools are not already counting on higher, merit-based pay. Schools in these cohorts do not yet know how much they would have received in TIA funding. Therefore, if TIA funds *must* be delayed to the next biennium, **we urge lawmakers to exempt Cohorts A and B from that decision.**

While we understand the fiscal implications Texas is currently facing due to the COVID-19 pandemic, the TIA is an essential program that helps attract and retain the most qualified educators to the schools that need them the most. The current pandemic has not only shined a light on how teachers work tirelessly to educate our students during these unprecedented times, but also how great teachers are vital to overcoming obstacles and ensuring high levels of student achievement and growth.

Teacher salaries can affect the quantity of teachers both in the short run (how many teachers choose to work in disadvantaged or rural areas) and the long run (how many qualified people enter the profession). The TIA program offers schools the ability to recruit and retain excellent teachers for the success of our future generations, especially for those living in underserved communities. To delay the implementation of this program would undermine student achievement and school improvement efforts and the consequence of Texas sliding back to an outdated system that has proven to yield minimal results.

Sincerely,

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Cc: House Public Education Members