

1-1 By: Creighton, et al. S.B. No. 2
 1-2 (In the Senate - Filed October 9, 2023; October 9, 2023,
 1-3 read first time and referred to Committee on Finance;
 1-4 October 10, 2023, reported favorably by the following vote: Yeas
 1-5 15, Nays 0; October 10, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11			X	
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21	X			
1-22	X			
1-23			X	
1-24	X			

1-25 A BILL TO BE ENTITLED
 1-26 AN ACT

1-27 relating to a local optional teacher designation system implemented
 1-28 by a school district, a security officer employed by a school
 1-29 district, the basic allotment and guaranteed yield under the public
 1-30 school finance system, and certain allotments under the Foundation
 1-31 School Program; making an appropriation.

1-32 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-33 SECTION 1. Sections 21.3521(a), (c), and (e), Education
 1-34 Code, are amended to read as follows:

1-35 (a) Subject to Subsection (b), a school district or
 1-36 open-enrollment charter school may designate a classroom teacher as
 1-37 a master, exemplary, ~~or~~ recognized, or acknowledged teacher for a
 1-38 five-year period based on the results from single year or multiyear
 1-39 appraisals that comply with Section 21.351 or 21.352.

1-40 (c) Notwithstanding performance standards established
 1-41 under Subsection (b), a classroom teacher that holds a National
 1-42 Board Certification issued by the National Board for Professional
 1-43 Teaching Standards may be designated as nationally board certified
 1-44 ~~recognized~~.

1-45 (e) The agency shall develop and provide technical
 1-46 assistance for school districts and open-enrollment charter
 1-47 schools that request assistance in implementing a local optional
 1-48 teacher designation system, including:

1-49 (1) providing assistance in prioritizing high needs
 1-50 campuses;

1-51 (2) providing examples or models of local optional
 1-52 teacher designation systems to reduce the time required for a
 1-53 district or school to implement a teacher designation system;

1-54 (3) establishing partnerships between districts and
 1-55 schools that request assistance and districts and schools that have
 1-56 implemented a teacher designation system;

1-57 (4) applying the performance and validity standards
 1-58 established by the commissioner under Subsection (b);

1-59 (5) providing centralized support for the analysis of
 1-60 the results of assessment instruments administered to district
 1-61 students; and

2-1 (6) facilitating effective communication on and
 2-2 promotion of local optional teacher designation systems.

2-3 SECTION 2. Subchapter H, Chapter 21, Education Code, is
 2-4 amended by adding Section 21.3522 to read as follows:

2-5 Sec. 21.3522. LOCAL OPTIONAL TEACHER DESIGNATION SYSTEM
 2-6 GRANT PROGRAM. (a) From funds appropriated or otherwise
 2-7 available for the purpose, the agency shall establish and
 2-8 administer a grant program to provide money and technical
 2-9 assistance to:

2-10 (1) expand implementation of local optional teacher
 2-11 designation systems under Section 21.3521;

2-12 (2) increase the number of classroom teachers eligible
 2-13 for a designation under that section; and

2-14 (3) increase the salaries paid to classroom teachers
 2-15 employed by school districts or open-enrollment charter schools
 2-16 that have established or are seeking to establish a designation
 2-17 system under that section.

2-18 (b) A grant awarded under this section must:

2-19 (1) meet the needs of individual school districts; and

2-20 (2) enable regional leadership capacity.

2-21 SECTION 3. Sections 37.0814(b) and (d), Education Code, are
 2-22 amended to read as follows:

2-23 (b) A security officer described by Subsection (a) must be:

2-24 (1) a school district peace officer;

2-25 (2) a school resource officer; ~~or~~

2-26 (3) a commissioned peace officer employed as security
 2-27 personnel under Section 37.081;

2-28 (4) a school marshal; or

2-29 (5) a school district employee or a person with whom
 2-30 the district contracts who:

2-31 (A) has completed school safety training
 2-32 provided by a qualified handgun instructor certified in school
 2-33 safety under Section 411.1901, Government Code; and

2-34 (B) carries a handgun on school premises in
 2-35 accordance with written regulations or written authorization of the
 2-36 district under Section 46.03(a)(1)(A), Penal Code.

2-37 (d) The board of trustees of a school district that claims a
 2-38 good cause exception under Subsection (c) must develop an
 2-39 alternative standard with which the district is able to comply,
 2-40 ~~which may include providing a person to act as a security officer~~
 2-41 ~~who is:~~

2-42 ~~[(1) a school marshal; or~~

2-43 ~~[(2) a school district employee or a person with whom~~
 2-44 ~~the district contracts who:~~

2-45 ~~[(A) has completed school safety training~~
 2-46 ~~provided by a qualified handgun instructor certified in school~~
 2-47 ~~safety under Section 411.1901, Government Code; and~~

2-48 ~~[(B) carries a handgun on school premises in~~
 2-49 ~~accordance with written regulations or written authorization of the~~
 2-50 ~~district under Section 46.03(a)(1)(A), Penal Code].~~

2-51 SECTION 4. Section 48.051(a), Education Code, is amended to
 2-52 read as follows:

2-53 (a) For each student in average daily attendance, not
 2-54 including the time students spend each day in special education
 2-55 programs in an instructional arrangement other than mainstream or
 2-56 career and technology education programs, for which an additional
 2-57 allotment is made under Subchapter C, a district is entitled to an
 2-58 allotment equal to ~~[the lesser of \$6,160 or]~~ the amount that results
 2-59 from the following formula:

$$2-60 \quad A = \frac{B}{\$6,160} \times TR/MCR$$

2-61 where:

2-62 "A" is the allotment to which a district is entitled;

2-63 "B" is the base amount, which equals the greater of:

2-64 (1) \$6,235;

2-65 (2) an amount equal to the district's base amount under
 2-66 this section for the preceding school year; or

2-67 (3) the amount appropriated under Subsection (b);

2-68 "TR" is the district's tier one maintenance and operations
 2-69 tax rate, as provided by Section 45.0032; and

3-1 "MCR" is the district's maximum compressed tax rate, as
 3-2 determined under Section 48.2551.

3-3 SECTION 5. Sections 48.112(c) and (d), Education Code, are
 3-4 amended to read as follows:

3-5 (c) For each classroom teacher with a teacher designation
 3-6 under Section 21.3521 employed by a school district, the school
 3-7 district is entitled to an allotment equal to the following
 3-8 applicable base amount increased by the high needs and rural factor
 3-9 as determined under Subsection (d):

3-10 (1) \$12,000, or an increased amount not to exceed
 3-11 \$36,000 [~~\$32,000~~] as determined under Subsection (d), for each
 3-12 master teacher;

3-13 (2) \$9,000 [~~\$6,000~~], or an increased amount not to
 3-14 exceed \$25,000 [~~\$18,000~~] as determined under Subsection (d), for
 3-15 each exemplary teacher; ~~and~~

3-16 (3) \$5,000 [~~\$3,000~~], or an increased amount not to
 3-17 exceed \$15,000 [~~\$9,000~~] as determined under Subsection (d), for
 3-18 each recognized teacher; and

3-19 (4) \$3,000, or an increased amount not to exceed
 3-20 \$9,000 as determined under Subsection (d), for each:

3-21 (A) acknowledged teacher; or

3-22 (B) nationally board certified teacher.

3-23 (d) The high needs and rural factor is determined by
 3-24 multiplying the following applicable amounts by the average of the
 3-25 point value assigned to each student at a district campus under
 3-26 Subsection (e):

3-27 (1) \$6,000 [~~\$5,000~~] for each master teacher;

3-28 (2) \$4,000 [~~\$3,000~~] for each exemplary teacher; ~~and~~

3-29 (3) \$2,500 [~~\$1,500~~] for each recognized teacher; and

3-30 (4) \$1,500 for each:

3-31 (A) acknowledged teacher; or

3-32 (B) nationally board certified teacher.

3-33 SECTION 6. Section 48.115(a), Education Code, is amended to
 3-34 read as follows:

3-35 (a) Except as provided by Subsection (a-1), a school
 3-36 district is entitled to an annual allotment equal to the sum of the
 3-37 following amounts or a greater amount provided by appropriation:

3-38 (1) \$20 [~~\$10~~] for each student in average daily
 3-39 attendance, plus \$1 for each student in average daily attendance
 3-40 per every \$50 by which the district's maximum basic allotment under
 3-41 Section 48.051 exceeds the greater of \$6,235 or the amount equal to
 3-42 the district's base amount, as defined by Section 48.051(a), for
 3-43 the preceding school year [~~\$6,160~~], prorated as necessary; and

3-44 (2) \$30,000 [~~\$15,000~~] per campus.

3-45 SECTION 7. Section 48.202(a-1), Education Code, is amended
 3-46 to read as follows:

3-47 (a-1) For purposes of Subsection (a), the dollar amount
 3-48 guaranteed level of state and local funds per weighted student per
 3-49 cent of tax effort ("GL") for a school district is:

3-50 (1) the greater of the amount of district tax revenue
 3-51 per weighted student per cent of tax effort available to a school
 3-52 district at the 96th percentile of wealth per weighted student or
 3-53 the amount that results from multiplying the maximum amount of the
 3-54 basic allotment provided under Section 48.051 for the applicable
 3-55 school year [~~6,160, or the greater amount provided under Section~~
 3-56 ~~48.051(b), if applicable,~~] by 0.016, for the first eight cents by
 3-57 which the district's maintenance and operations tax rate exceeds
 3-58 the district's tier one tax rate; and

3-59 (2) subject to Subsection (f), the amount that results
 3-60 from multiplying the maximum amount of the basic allotment provided
 3-61 under Section 48.051 for the applicable school year [~~\$6,160, or the~~
 3-62 ~~greater amount provided under Section 48.051(b), if applicable,~~] by
 3-63 0.008, for the district's maintenance and operations tax effort
 3-64 that exceeds the amount of tax effort described by Subdivision (1).

3-65 SECTION 8. Subchapter G, Chapter 48, Education Code, is
 3-66 amended by adding Sections 48.310 and 48.311 to read as follows:

3-67 Sec. 48.310. TEACHER RETENTION ALLOTMENT. (a) In this
 3-68 section, "classroom teacher" has the meaning assigned by Section
 3-69 5.001, except that the term also includes a person who is not

4-1 required to hold a certificate issued under Subchapter B, Chapter
4-2 21 who otherwise meets the definition of a classroom teacher under
4-3 that section.

4-4 (b) A school district is entitled to an annual allotment for
4-5 each classroom teacher employed by the district in the school year
4-6 for which the allotment is provided as follows:

4-7 (1) if the district has 5,000 or fewer students
4-8 enrolled for that school year, \$10,000 per classroom teacher; and

4-9 (2) if the district has more than 5,000 students
4-10 enrolled for that school year, \$3,000 per classroom teacher.

4-11 (c) For the 2024-2025 school year, a school district shall
4-12 use money received under Subsection (b) to increase the salary
4-13 provided to each classroom teacher in the district for that year
4-14 over the salary the teacher received or would have received if
4-15 employed by the district in the 2023-2024 school year by at least
4-16 the amount received per classroom teacher under Subsection (b).

4-17 (d) For the 2025-2026 and each subsequent school year, a
4-18 school district shall use money received under Subsection (b) to
4-19 maintain the salary increases for classroom teachers provided under
4-20 Subsection (c). Any additional funding generated for a school
4-21 district under this section may only be used for the compensation of
4-22 classroom teachers employed by the district.

4-23 (e) Notwithstanding any other law, the commissioner shall
4-24 exclude the funding to which a school district is entitled under
4-25 this section for purposes of:

4-26 (1) determining the amount by which the district must
4-27 reduce the district's tier one revenue level under Section 48.257;
4-28 and

4-29 (2) calculating a school district's maintenance and
4-30 operations revenue under Section 48.277(a).

4-31 Sec. 48.311. TEACHER RETENTION BONUS FOR 2023-2024 SCHOOL
4-32 YEAR. (a) In this section, "classroom teacher" has the meaning
4-33 assigned by Section 48.310.

4-34 (b) A school district is entitled to a one-time payment for
4-35 each classroom teacher employed by the district during the
4-36 2023-2024 school year in the following amount:

4-37 (1) if the district has 5,000 or fewer students
4-38 enrolled for that school year, \$10,000 per classroom teacher; and

4-39 (2) if the district has more than 5,000 students
4-40 enrolled for that school year, \$3,000 per classroom teacher.

4-41 (c) A school district shall use money received under
4-42 Subsection (b) to provide a bonus payment in the amount received per
4-43 classroom teacher under Subsection (b) to each classroom teacher in
4-44 the district as part of the teacher's salary payment for December
4-45 2023, if feasible, and if not feasible, then the district shall
4-46 provide the bonus payment as part of the teacher's salary payment
4-47 for the first month in which it is feasible. The bonus payment made
4-48 under this subsection is in addition to the salary and wages to
4-49 which the classroom teacher is otherwise entitled for the 2023-2024
4-50 school year.

4-51 (d) Notwithstanding any other law, the commissioner shall
4-52 exclude the funding to which a school district is entitled under
4-53 this section for purposes of:

4-54 (1) determining the amount by which the district must
4-55 reduce the district's tier one revenue level under Section 48.257;
4-56 and

4-57 (2) calculating a school district's maintenance and
4-58 operations revenue under Section 48.277(a).

4-59 (e) A bonus payment made under this section is included in
4-60 salary and wages for service for purposes of Section 822.201,
4-61 Government Code.

4-62 (f) This section expires September 1, 2024.

4-63 SECTION 9. Section 822.201(b), Government Code, is amended
4-64 to read as follows:

4-65 (b) "Salary and wages" as used in Subsection (a) means:

4-66 (1) normal periodic payments of money for service the
4-67 right to which accrues on a regular basis in proportion to the
4-68 service performed;

4-69 (2) amounts by which the member's salary is reduced

5-1 under a salary reduction agreement authorized by Chapter 610;

5-2 (3) amounts that would otherwise qualify as salary and
5-3 wages under Subdivision (1) but are not received directly by the
5-4 member pursuant to a good faith, voluntary written salary reduction
5-5 agreement in order to finance payments to a deferred compensation
5-6 or tax sheltered annuity program specifically authorized by state
5-7 law or to finance benefit options under a cafeteria plan qualifying
5-8 under Section 125 of the Internal Revenue Code of 1986, if:

5-9 (A) the program or benefit options are made
5-10 available to all employees of the employer; and

5-11 (B) the benefit options in the cafeteria plan are
5-12 limited to one or more options that provide deferred compensation,
5-13 group health and disability insurance, group term life insurance,
5-14 dependent care assistance programs, or group legal services plans;

5-15 (4) performance pay awarded to an employee by a school
5-16 district as part of a total compensation plan approved by the board
5-17 of trustees of the district and meeting the requirements of
5-18 Subsection (e);

5-19 (5) the benefit replacement pay a person earns under
5-20 Subchapter H, Chapter 659, except as provided by Subsection (c);

5-21 (6) stipends paid to teachers in accordance with
5-22 former Section 21.410, 21.411, 21.412, or 21.413, Education Code;

5-23 (7) amounts by which the member's salary is reduced or
5-24 that are deducted from the member's salary as authorized by
5-25 Subchapter J, Chapter 659;

5-26 (8) a merit salary increase made under Section 51.962,
5-27 Education Code;

5-28 (9) amounts received under the relevant parts of the
5-29 educator excellence awards program under Subchapter O, Chapter 21,
5-30 Education Code, or a mentoring program under Section 21.458,
5-31 Education Code, that authorize compensation for service;

5-32 (10) salary amounts designated as health care
5-33 supplementation by an employee under Subchapter D, Chapter 22,
5-34 Education Code;

5-35 (11) to the extent required by Sections 3401(h) and
5-36 414(u)(12), Internal Revenue Code of 1986, differential wage
5-37 payments received by an individual from an employer on or after
5-38 January 1, 2009, while the individual is performing qualified
5-39 military service as defined by Section 414(u), Internal Revenue
5-40 Code of 1986; ~~and~~

5-41 (12) increased compensation paid to a teacher by a
5-42 school district using funds received by the district under the
5-43 teacher incentive allotment under Section 48.112, Education Code;
5-44 and

5-45 (13) any increase in the payment of money made to a
5-46 classroom teacher by a school district from funds allotted to the
5-47 district under Section 48.310, Education Code.

5-48 SECTION 10. Section 18.78, Article IX, Chapter 1170 (H.B.
5-49 1), Acts of the 88th Legislature, Regular Session, 2023 (the
5-50 General Appropriations Act), is amended by adding Subsections (m)
5-51 and (n) to read as follows:

5-52 (m) It is the intent of the legislature that money
5-53 appropriated under Subsection (e) of this section be expended
5-54 equally in each year of the 2024-25 fiscal biennium, not including
5-55 any supplemental funds appropriated in 2025 for the same or a
5-56 similar purpose.

5-57 (n) In addition to amounts appropriated elsewhere in this
5-58 Act, TEA is appropriated \$1,196,500,000 from general revenue to
5-59 implement the provisions of S.B. 2, Acts of the 88th Legislature,
5-60 3rd Called Session, 2023. From the amount appropriated under this
5-61 subsection, not more than:

5-62 (1) \$400,000,000 may also be used for school safety
5-63 and related purposes; and

5-64 (2) \$796,500,000 may also be used for financial and
5-65 other assistance to public school educators and/or the public
5-66 school finance system.

5-67 SECTION 11. Sections 48.051(c), (c-1), (c-2), and (d),
5-68 Education Code, are repealed.

5-69 SECTION 12. Immediately following the effective date of

6-1 this Act, a school district or open-enrollment charter school shall
6-2 redesignate a teacher who holds a designation made under Section
6-3 21.3521, Education Code, before the effective date of this Act, to
6-4 reflect the teacher's designation under Section 21.3521, Education
6-5 Code, as amended by this Act. Funding provided to a school district
6-6 under Section 48.112, Education Code, for a teacher who held a
6-7 designation made under Section 21.3521, Education Code, as that
6-8 section existed immediately before the effective date of this Act,
6-9 shall be increased to reflect the teacher's redesignation under
6-10 Section 21.3521, Education Code, as amended by this Act.

6-11 SECTION 13. (a) Except as provided by Subsection (b) of
6-12 this section, this Act applies beginning with the 2023-2024 school
6-13 year.

6-14 (b) Section 48.310, Education Code, as added by this Act,
6-15 applies beginning with the 2024-2025 school year.

6-16 SECTION 14. This Act takes effect immediately if it
6-17 receives a vote of two-thirds of all the members elected to each
6-18 house, as provided by Section 39, Article III, Texas
6-19 Constitution. If this Act does not receive the vote necessary for
6-20 immediate effect, this Act takes effect on the 91st day after the
6-21 last day of the legislative session.

6-22

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