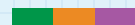




**MOAKCASEY**

PROVEN LEADERS ADVANCING TEXAS SCHOOLS

# School Finance & Legislative Updates



Prepared for  
Region One  
Finance Advisory Council





# SOF Near-Final

Run ID	Date	Description
<b>33054</b>	9/1	NF #1 - Final 2020 DPV and Tax Information Survey
<b>33190</b>	9/8	NF #2 - Transportation and ESC Insurance
<b>33192</b>	9/8	NF #3 - TIA, MPA, CCMR OB
<b>33209</b>	9/9	NF #5 - Actual PEIMS ADA
<b>33211</b>	9/9	NF #6 - Capped PEIMS ADA
<b>33212 - 33252</b>	9/9 & 9/10	NF #7 - HH ADA and HH correction
<b>33254 - 33349</b>	9/10	Better of Capped PEIMS ADA or HH ADA
<b>33350 - 33373</b>	9/14 & 9/15	ESSER Reduction
<b>33377</b>	9/15	CCMR OB Data Correction
<b>33389</b>	9/16	Tax Info Survey & Other Updates/Corrections



# ADA Calculations

## State Aid and Student Count Data

- **New** 2020-2021 Near Final Funding and ESSER Reductions ([Excel, 926 KB](#)) ([PDF, 5,839 KB](#))
- **New** 2020-2021 Near Final Hold Harmless ADA ([Excel, 1.8 MB](#)) ([PDF, 46 MB](#))
- 2019-2020 Near Final ADA Adjustments (PEIMS/COVID/ESSER) ([Excel, 194 KB](#)) ([PDF, 564 KB](#))
- Pupil Projections Data (for individual districts)
- Pupil Projections ADA Spreadsheet (for all districts)
- Average Daily Attendance (ADA) and Wealth per Average Daily Attendance
- Total Operating expenditures 2006-2019 ([Excel, 528 KB](#)) ([PDF, 511 KB](#))
- Wealth per Weighted Average Daily Attendance (WADA) ([Excel, 72.9 KB](#)) ([PDF, 342.5 KB](#))
- Average Daily Attendance (ADA) and Weighted ADA (WADA) 2004–2005 through 2018-2020 ([Excel, 445 KB](#)) ([PDF, 2 MB](#))
- Districts Eligible for Fast Growth Allotment for 2019-2020 School Year ([Excel, 128 KB](#)) ([PDF, 568 KB](#))



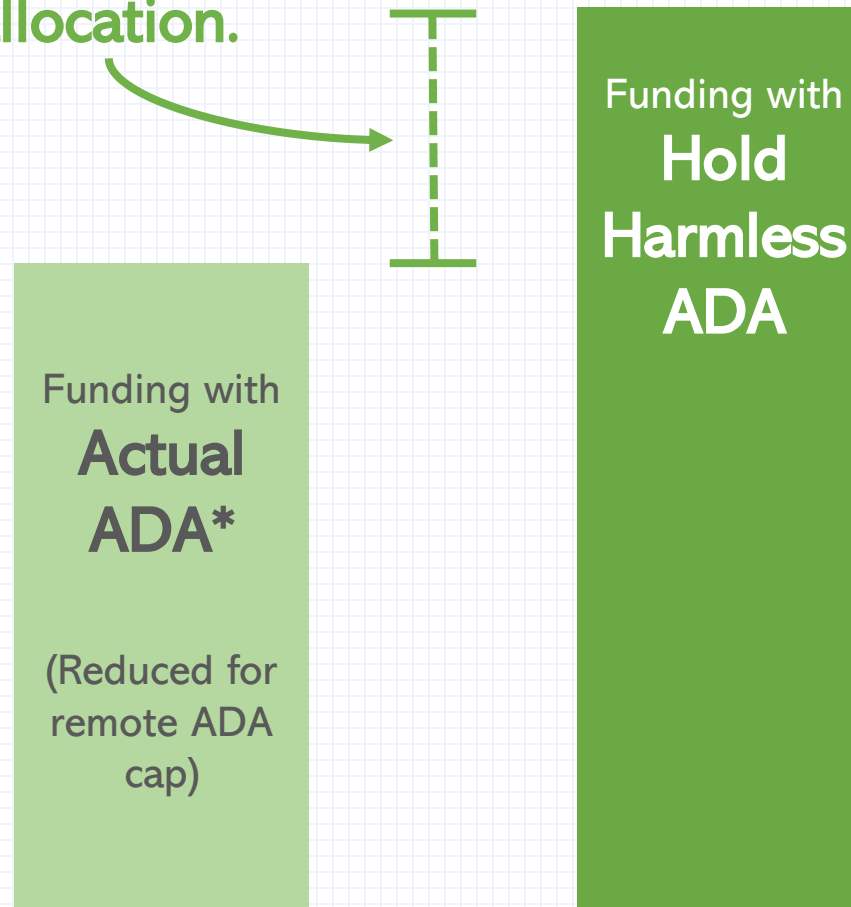
# 20-21 Hold Harmless

## Overview

Paid by *your*  
ESSER II  
allocation.



ADA Hold  
Harmless



This district  
receives a “hold  
harmless” and  
sees its state aid  
supplanted with  
ESSER II dollars.



# 20-21 Hold Harmless

## Overview



ADA Hold Harmless

Funding with  
**Actual  
ADA\***

(Reduced for  
remote ADA  
cap)

Funding with  
**Hold  
Harmless  
ADA**

This district sees  
**no supplanting** of  
state aid with its  
ESSER II allocation.

District receives  
**100%** of ESSER II  
as **supplemental**  
revenues.



# 20-21 Hold Harmless

ISD Impact

Nearly two-thirds of districts saw some portion of its ESSER II allocation used to supplant state aid under the hold harmless.



ADA Hold Harmless

61.6%

Hold Harmless Funding  
**IS GREATER THAN**  
Actual ADA Funding

38.4%

Hold Harmless Funding  
**IS LESS THAN**  
Actual ADA Funding



# 20-21 Hold Harmless

ESSER II

**\$5.0**  
billion

Total ESSER II  
Allocation

**\$1.1**  
billion

*Estimated*  
ESSER II Allocation  
Used to Supplant  
State Aid



ADA Hold  
Harmless



# 20-21 Hold Harmless

ADA

Legislative Payment  
Estimate ADA

**5.15**  
million



ADA Hold  
Harmless

**4.97**  
million

Actual ADA

**5.11**  
million

Hold Harmless ADA

**5.14**  
million

“Greater Of” ADA





# 21-22 Hold Harmless?



ADA Hold  
Harmless

- Commissioner Morath has cited **Sec. 21 of HB 1525** (87R) as preventing him from offering an additional hold harmless in the same way it has been done these past two years.
- Morath stated that a possible solution involving **low-attendance waivers** is being worked on by agency staff.
- Legislature is currently in special session, in part, to determine how to appropriate **\$16.7 billion** in stimulus dollars.



# Legislative Response to Learning Loss

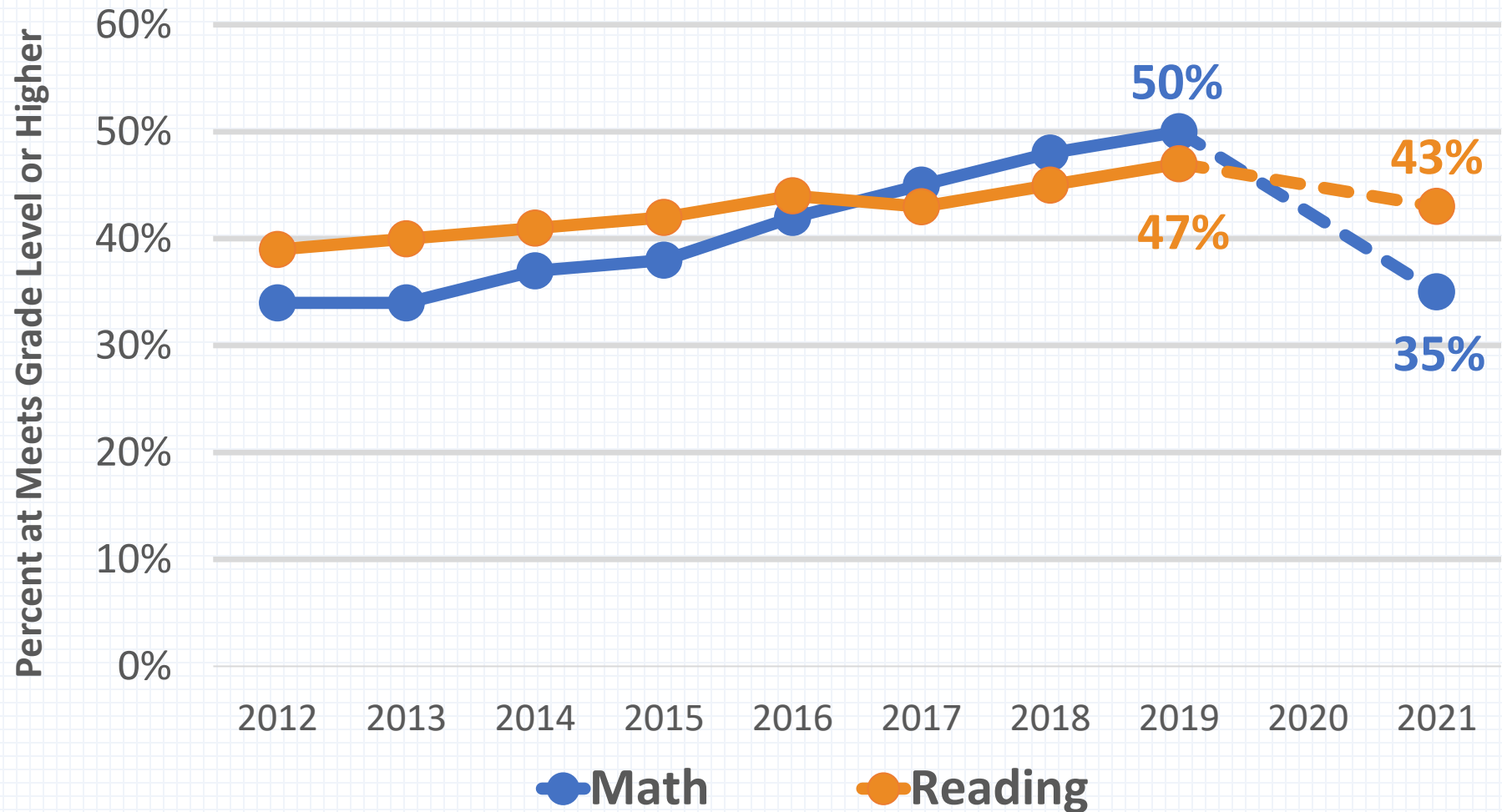




# STAAR Performance



Legislative  
Response to  
Learning Loss

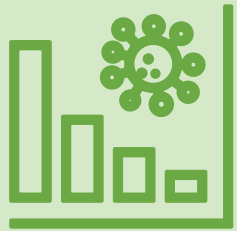




# STAAR Performance

## All Students

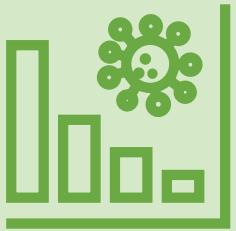
Percent of Students In-Person	Percent change in <u>Reading</u> tests at meets grade level or higher from 2019 to 2021	Percent change in <u>Math</u> tests at meets grade level or higher from 2019 to 2021
<25%	<b>-9%</b>	<b>-32%</b>
25%-50%	<b>-7%</b>	<b>-22%</b>
50%-75%	<b>-4%</b>	<b>-12%</b>
>75%	<b>-1%</b>	<b>-9%</b>



Legislative  
Response to  
Learning Loss



# Legislative Response



Legislative  
Response to  
Learning Loss

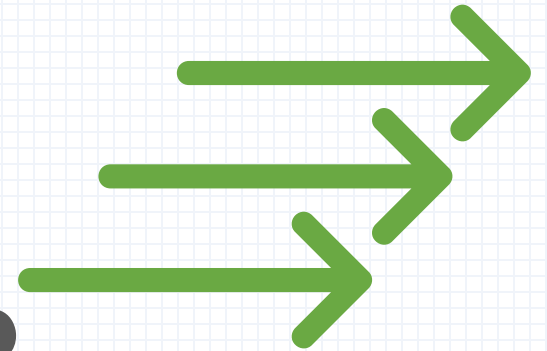
1.



Continuing Virtual  
Education Options  
With Restrictions

**SB 15**

2.

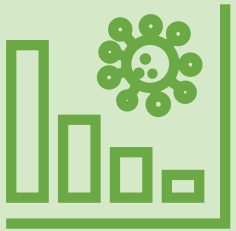


Accelerated  
Instruction

**HB 4545**



# Legislative Response



Legislative  
Response to  
Learning Loss

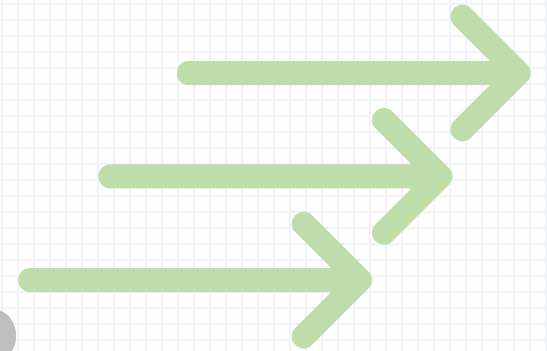
1.



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**SB 15**

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Accelerated  
Instruction

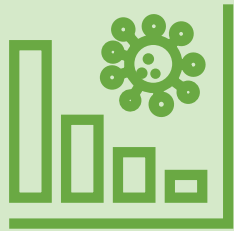
**HB 4545**



# SB 15 | Overview

SB 15 allows districts to offer a **local remote learning program** and to receive **funding for certain remote attendance**.

- For most districts, participation in the local remote learning program would be limited to **10 percent of the district's total enrollment**.
- Current version of bill allows for **retroactive funding for entirety of 2021-22 SY**.
- Local remote learning program authorization **expires after 2022-23 SY**. Recommendations to come from virtual education commission.



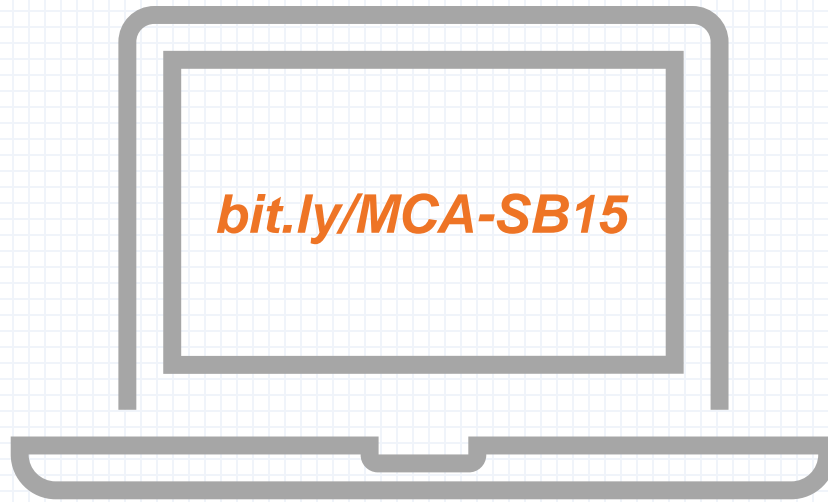
Legislative  
Response to  
Learning Loss



# SB 15

# Virtual Education

For more, read our recently updated write-up:



Updated 9/3/2021 512.485.7878 | support@moakcasey.com

**MOAKCASEY** A Summary of  
PROVEN LEADERS ADVANCING TEXAS SCHOOLS **Senate Bill 15 (Virtual Instruction)**

### KEY PROVISIONS

- SB 15 would allow districts to operate and receive funding for local remote learning programs through the 2022-23 school year.
- Many provisions are similar to HB 1468, which died in the final days of the 87<sup>th</sup> Regular Session, including a limit on the participation in the program to 10 percent of enrolled students.
- In order to operate a program, districts and charters must have received an overall accountability rating of C or higher in the most recent year in which accountability ratings were assigned.

The bill also requires that the commissioner track the performance of students within the local remote learning program under a separate campus number for accountability purposes.

- Remote students who failed STAAR in the preceding year, failed a class covering foundation curriculum in the preceding year, or had high levels of unexcused absences could not generate ADA eligible for funding under the regular program allotment. These students could generate funding under enrollment-based special allotments, however.
- Districts could not require teachers to provide virtual instruction to students in the program and in-person instruction simultaneously.

The bill would also require that teachers agree to an assignment to provide virtual instruction in writing or have it specified in their employment contract.

### OVERVIEW

SB 15, as finally passed, would allow school districts and charters to operate a local remote learning program to offer virtual courses to eligible students.

Attendance generated through the program would be eligible for state funding. One key amendment added during the House floor debate on August 27 was that districts could receive funding for virtual instruction during the 2021-22 school year prior to the bill's passage.

Instruction provided through the program could be provided synchronously or asynchronously, and may be provided in combination with in-person instruction.

### DISTRICT ELIGIBILITY

In order to operate a local remote learning program, a district or charter must:

- Have received an overall district accountability rating of C or higher in the preceding school year (or the most recent school year in which an accountability rating was assigned);
- Include at least one grade within grades 3 through 8 or include a complete high school program, including each course for which an EOC is required;
- Offer the option for a parent to select in-person instruction.

Districts and charters would also be permitted to contract with other school districts or charters to provide its students virtual instruction under this program.

### STUDENT ELIGIBILITY

Participation in the local remote learning program would be limited to 10 percent of the district's total enrollment. The bill does allow for the commissioner to grant a waiver from this exemption if a district requests it or in response to a public health emergency.

revised september 2021 ©2021 MOAK, CASEY & ASSOCIATES





# HB 3643

## Virtual Ed. Commission

- Bill creates a 13-member commission, with members appointed by the governor (4), lieutenant governor (4), speaker of the house (4), and SBOE chair (1 SBOE member).

### Governor Appointees Must Include:

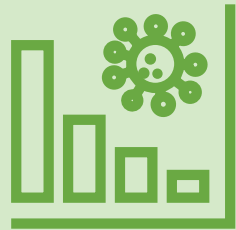
- One Teacher with >10 Yrs. Exp.
- One Member of Business Community
- One Member of the Civic Community
- No Requirements for 4<sup>th</sup> Appointee

### Lt. Gov/Speaker Appointees

#### Must Include:

- Three Legislators
- One School Administrator or Board Member

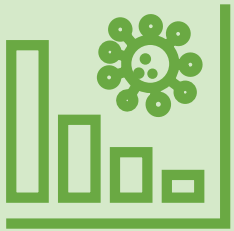
- Commission will develop recommendations on the delivery and funding virtual education. Report to state leadership is due **Dec. 31, 2022.**



Legislative  
Response to  
Learning Loss



# Legislative Response



Legislative  
Response to  
Learning Loss

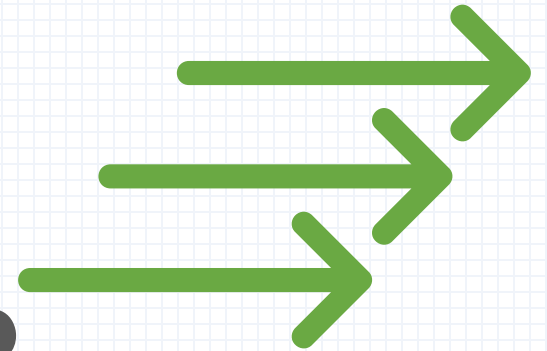
1.



Continuing Virtual  
Education Options  
With Restrictions

**SB 15**

2.



Accelerated  
Instruction

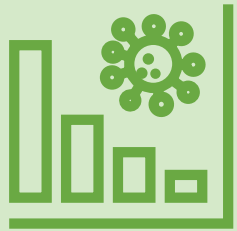
**HB 4545**



# HB 4545

## Accelerated Instruction

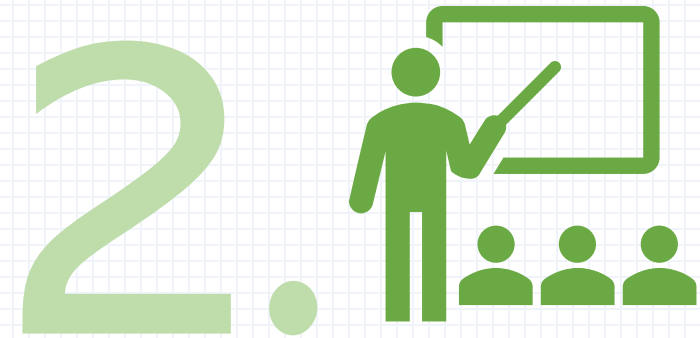
Requires any student who fails to perform satisfactorily the STAAR test in **grades 3–8 or EOC** must either:



Legislative  
Response to  
Learning Loss



Be assigned to a teacher who has received a **TIA designation**.

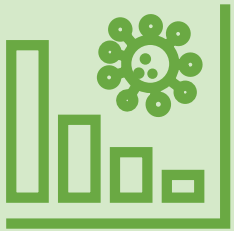


Receive **30 hours** of supplemental instruction.



# HB 4545

## Accelerated Instruction



Legislative  
Response to  
Learning Loss

- Supplemental instruction must be provided in groups of **no more than three students**, unless parent waiver is obtained.
- Be provided by a person with training in the applicable instructional materials and under the oversight of the school district. **Does not need to be a certified teacher.**
- Students cannot be removed from instruction in grade-level content for the **foundation curriculum, enrichment curriculum or recess/physical activity.**



# HB 4545

## Accelerated Instruction

**3.2**  
million

Number of STAAR Tests  
that Will Trigger Action  
Under HB 4545

**4,617**

Number of Teachers  
With TIA Designations

**~3**  
million

Tests that Will Require  
30 Hrs. of Supplemental  
Instruction



Legislative  
Response to  
Learning Loss



# What Did Not Pass?

**HB 233** (87<sup>th</sup>, 2<sup>nd</sup> C.S.), which would have amended accelerated instruction requirements created by HB 4545, **did not pass**. It included the following provisions:

- Limited the requirements to provide accelerated instruction only to students who failed to perform satisfactorily on a **math or reading assessment**.
- Increased the max. size of tutoring groups from **three students to four students**. Boards had the option to temporarily increase the cap to **10 students** for the 2021-22 school year.
- Allowed the commissioner to waive accelerated instruction reqs. if **at least 60 percent of accelerated instruction students** passed the STAAR test in the subject they had previously failed.



## Property Taxes

# Additional Tax Relief | 87<sup>th</sup>, 2<sup>nd</sup> C.S.

- **SB 8:** Allows a homeowner to receive their homestead exemption in the year that they acquire the property, rather than having to wait for January 1 of the following year.  
**Includes state aid to offset property tax loss.**
- **SB 12 / SJR 4:** Ensures that over-65/disabled homeowners would see reductions in their property tax bill due to Tier 1 M&O rate compression under HB 3.

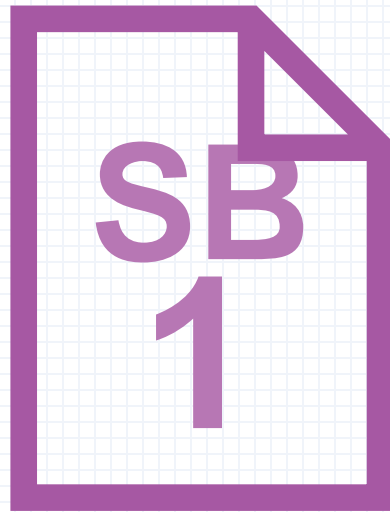
**If approved by voters**, bill would take effect Jan. 1, 2023, resulting state aid would come during FY 2024.

**Includes state aid to offset property tax loss.**



Property Taxes

# Additional Tax Relief | 87<sup>th</sup>, 3<sup>rd</sup> C.S.



**Sen. Bettencourt**  
*Passed Senate 9/22*

- Would spend \$2 – \$4 billion to provide **6.6 – 13.2** pennies of additional, **temporary** M&O tax rate compression in 2022-23 school year.

**Rates would go back up after that year.**

- In an attempt to curtail I&S rate increases, senators added a provision that...prohibits districts from holding TREs in 2022-23.
- Makes changes to ballot language for future TREs.
- Requires tax bills to include amount of tax reduction due to SB 1.





# Questions & Comments





# MOAKCASEY

PROVEN LEADERS ADVANCING TEXAS SCHOOLS

**Buck Gilcrease, Ed. D.**  
**Terry Faucheux**  
**John Grey**  
**Josh Haney**  
**Gretchen Hoffman**  
**Catherine Knepp**  
**Toni Riester-Wood, Ph. D.**  
**Joe Wisnoski**  
*Associates*

**Lynn M. Moak**  
**Daniel T. Casey**  
*Partners*

**Susan Moak**  
**Kari Ruehman**  
*Administrative Staff*

**Kathy Mathias**  
**Larry Groppe, Ed. D.**  
**Thomas V. Alvis, Ph. D.**  
**Alicia Thomas, Ph. D.**  
**Mary McKeown-Moak, Ph. D.**  
*Consultants*

901 S. MoPac Expressway, Bldg. III, Ste 310, Austin, TX 78746  
Phone (512) 485-7878 Fax (512) 485-7888  
[www.moakcasey.com](http://www.moakcasey.com)