



## Input on HB 2

Regarding continued monitoring of HB 2's progress

June 1, 2026

The **Association of Texas Professional Educators (ATPE)** offers the following input on **HB 2**, relating to public education and public school finance by Chairman Buckley:

Thank you for the opportunity to provide feedback on the interim charge related to the implementation and oversight of HB 2. We appreciate the Legislature's significant investment in public education during the 2025 session and the continued attention to how those policies are working in practice. As you evaluate next steps, we urge you to focus on implementation realities in districts and classrooms, particularly in the areas of special education funding, educator compensation, and educator preparation.

### **Special Education Service Intensity Tiers**

With respect to the transition to tiered special education funding, we strongly support the move toward a service-intensity model that more accurately reflects student needs. However, districts are still in the early stages of implementation, including aligning staffing models, coding practices, and service delivery with the new tiers. This complex shift affects budgeting, compliance, and instructional programming. **We urge the Legislature to allow additional time for full implementation before making further changes or judgments about effectiveness. Getting this right is critical to ensuring students receive appropriate services and that districts are not unintentionally penalized during the transition.**

### **Teacher Pay**

While HB 2 made meaningful strides in educator pay, it is important to recognize where those raises both are and are not functioning as intended. The increases provided through the Teacher Retention Allotment (TRA) and other mechanisms do not fully account for the additional costs districts incur when raising salaries. These include increased contributions to the Teacher Retirement System, rising health insurance premiums, and higher payroll tax obligations. On average, these additional costs total approximately \$400 per teacher. Across an estimated 400,000 teachers statewide, that equates to a roughly \$160 million unfunded mandate borne by districts to cover the administrative costs of this much-needed pay raise. When spread across approximately 5.4 million students, this represents about \$30 per student in unfunded expense. These costs reduce the real impact of the pay raises and create additional strain on district budgets.

*The Association of Texas Professional Educators (ATPE) is the leading educator association in Texas and has been a strong voice for Texas educators since 1980. With its strong collaborative philosophy, ATPE speaks for classroom teachers, administrators, future, retired and para-educators and works to create better opportunities for the more than 5 million Texas public schoolchildren. ATPE is the ally and the voice of Texas public school educators.*

Additionally, while HB 2 was a positive step forward, significant pay disparities remain, particularly for rural educators. Many rural districts still struggle to compete with neighboring districts or other professions, and without targeted support, those gaps will persist. **We encourage the Legislature to build on HB 2 by prioritizing strategies that close regional pay disparities and support long-term retention in hard-to-staff areas.**

The interaction between base pay increases and the Teacher Incentive Allotment (TIA) has created a challenging dynamic for districts. Under current policy, salary increases stack on top of base pay, and teachers who receive TIA designations generate additional incentive funding tied to their performance. However, the ongoing salary expectations associated with these designations, combined with the same additional costs noted above, create long-term financial obligations for districts that are not fully offset by state funding. In practice, this has led some districts to limit the number of positions that are coded as TIA-eligible in PEIMS or to slow the expansion of TIA programs. The result is a system that may unintentionally constrain participation and limit the program's intended impact. **We recommend the Legislature closely examine the sustainability of the current structure and consider adjustments that better align state compensation programs with long-term affordability for districts.**

## Rulemaking

**ATPE urges careful consideration of ongoing rulemaking related to educator preparation and the use of funding streams such as the Local Accountability System (LASO) allotment.** Districts are experiencing increasing prescriptiveness in how these funds must be used, often tied to new or evolving requirements. For example, in order for districts to apply for Grow Your Own program funds, they were also required to apply for Residency funds. In order to implement the Residency model, a district must have enough classrooms with qualified mentor teachers to place residents in, and a district must be prepared to support a year-long residency program, as well as pay residents at least \$20,000 annually. The PREP allotment currently only covers approximately half of that salary, leaving districts on the hook for the other half. In some cases, new rules are being layered on to funding structures that were not originally designed for those purposes, creating confusion and limiting local flexibility. While we support efforts to improve educator preparation and effectiveness, it is important that implementation be clear, coherent, and adequately resourced. Districts need flexibility to meet local needs while complying with state requirements, and funding mechanisms should align with the expectations placed upon them.

In closing, HB 2 represents a significant policy shift with far-reaching implications. As you continue your interim work, we encourage a focus on thoughtful implementation, adequate funding, and alignment between policy goals and on-the-ground realities. Educators and districts are committed to making these changes work, but they need the time, resources, and flexibility to do so effectively. Thank you for your attention to these important issues and for your continued support of Texas public schools. For additional information, contact ATPE Governmental Relations at (800) 777-2873 or [government@atpe.org](mailto:government@atpe.org).