

## Comments to the Legislative Budget Board Regarding the Texas Education Agency 2026-2027 Legislative Appropriations Request

Submission from:  
Quinn McCall  
On behalf of the Texas Classroom Teachers Association  
P.O. Box 1489  
Austin, TX 78767  
[qmccall@tcta.org](mailto:qmccall@tcta.org)  
512-477-9415

TCTA appreciates the opportunity to provide input on the Texas Education Agency's (TEA) 2026-2027 Legislative Appropriations Request. Per Comptroller Hegar, lawmakers will have approximately **\$21.3 billion in available revenue and 23.8 billion in the ESF at the end of 2024**. The 89<sup>th</sup> Legislature should make a strong investment in public schools, its teachers, and the future workforce of the state.

Key Comments and Recommendations:

**TCTA recommends that lawmakers fund a meaningful salary increase and require districts to use the money for that purpose. These salary increases should be implemented as follows:**

- **Increase the basic allotment.**
- **Add a provision to Section 21.402, Texas Education Code that guarantees a minimum increase to each covered educator above their local salary schedule step.**
- **Add a funding provision to provide flexible funding to districts that receive insufficient funding to pay for the required salary increases and provide for other needs.**
- **The state should not rely on the Teacher Incentive Allotment (TIA) program to attract and retain teachers but must ensure that all salaries are raised to competitive levels.**

**Increasing the state's contribution to active employee health insurance must be part of TEA's LAR.**


**TCTA recommends the state restore funding for the TELL working conditions survey on an ongoing basis and ensure district participation in the survey.**

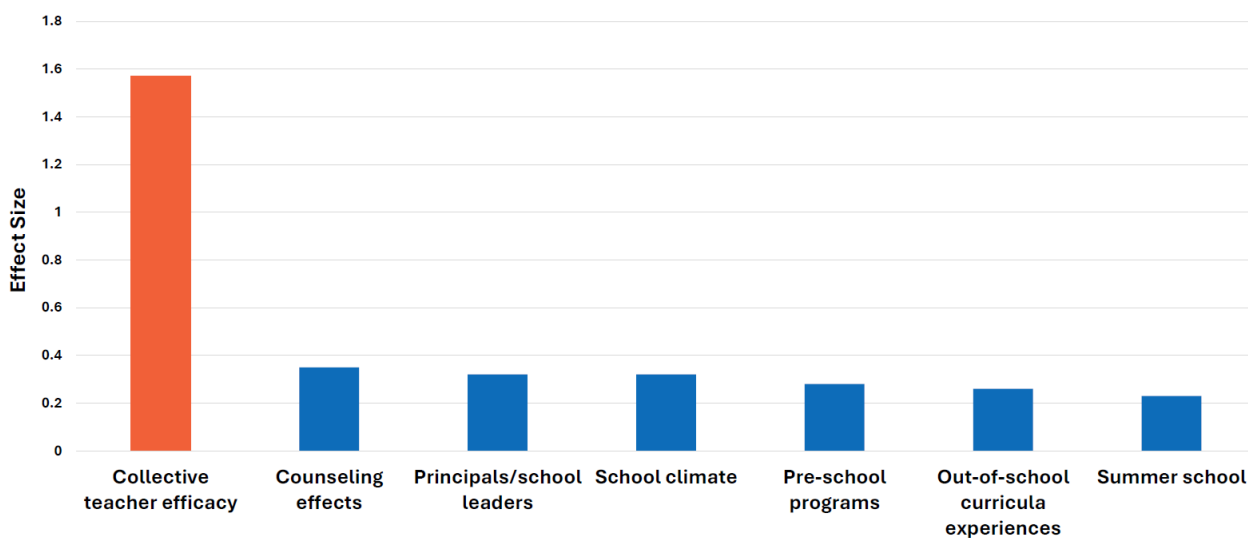
**TCTA recommends increasing funding for school safety to ensure schools employ campus behavioral specialists to assist classroom teachers.**

A new Rice University study examining data from the Texas Education Agency and the National School Finance Indicators database showed more than 73% of Texas school districts face significant budget deficits, even after striving to improve efficiency.

Despite a slight increase in per-student funding since 2020, inflation and recapture payments have effectively negated these gains and today’s funding is equivalent to what it was in 2014. Significantly, the report also revealed that schools with larger funding gaps usually have lower student achievement ratings. Severely underfunded districts are strongly associated with TEA student achievement ratings of C or lower, which are graded on an A-F scale. The report concludes that addressing funding gaps in Texas’ most severely underfunded districts could substantially boost their chances of achieving higher TEA student achievement ratings. Without adequate financial support, even the most effective teaching practices are unlikely to succeed. With proper funding, efforts to enhance student performance can become both effective and sustainable.

Data collected by the TEA shows teachers are by far the single most important school-based factor affecting student outcomes. Yet, Texas teachers are leaving the profession at rates not seen since the great recession, causing schools to face shortages in high-quality educators. Per TEA data, teacher attrition in Texas is on the rise from 9% to 12% since the start of the pandemic. The number of uncertified teachers in the state’s public schools has risen by 29%. A recent Texas Tech University study highlighted that students lose up to about four months of learning in reading and three months in math when they have a new teacher who is both uncertified and lacks experience working in a public school.

Teachers are the single most important in-school factor impacting student outcomes 



Adapted from Hattie, 2011

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Replacing teachers is time-consuming, costly, and disruptive to student learning. Although the financial costs within a district or school can vary substantially – more than \$20,000 per teacher in an urban district – the most significant costs are those associated with separation, recruiting, and hiring new teachers, and training replacements.<sup>1</sup>

### Teacher Pay

In 2022, the Merrimack College Teacher Survey found 74% of teachers do not think their salary is fair for the work that they do, and more than half of teachers said they would not advise their younger self to pursue a career in

teaching. Texas teachers face what the Economic Policy Institute calls the “Teacher Pay Penalty,” which is “how much less, in percentage terms, public school teachers are paid in weekly wages relative to other college educated workers (after accounting for factors known to affect earnings such as education, experience, and state residence).” In 2019, the national average penalty was 19.2%, but these similar college graduates made 21.9% more than Texas teachers (Every Texan Report 2022). Furthermore, Texas ranks 30th in the nation for average teacher pay, \$8,828 less than the national average, according to the Southern Regional Education Board.

The low satisfaction levels of teachers already in the classroom may impact the pipeline of future teachers. Enrollment in teacher preparation programs has declined by about a third over the past decade, and experts say that is in part due to the perception of teaching as a low-paid, thankless career (The American Association of Colleges for Teacher Education 2022). According to an ACT survey, the top reasons high school and college students say they want to become teachers – but do not – are low pay and a lack of career advancement.<sup>ii</sup>

**The most direct and important way to meaningfully support educators is to provide a significant, sustainable, and ongoing increase in pay to retain teachers and attract more students to the teaching profession.** According to a 2022 survey from the EdWeek Research Center, six out of 10 teachers say that the compensation strategy that would be the most effective in encouraging them to stay in the profession is a base salary increase that exceeds cost of living increases. According to the same survey, bonuses, unless they are large, are not an effective way to keep teachers in the profession, with only 5% of teachers saying bonuses around \$2,000 or less would keep them in the profession.

The Texas Legislature has at times, recognized the singular importance of teachers when crafting school finance legislation by explicitly directing school districts to raise teacher salaries. Going forward, **TCTA recommends that lawmakers fund a salary increase and require districts to use the money for that purpose.** Otherwise, history suggests that teachers will not receive their fair share of investment in schools. A TCTA analysis of school districts’ operating expenditures shows how teacher salaries have not kept pace. (The analysis of expenditures excludes increases in federal funding attributable to ESSER). For this reason, **state law should include a provision that specifically and proportionately increases teacher salaries as funding for schools is increased.**

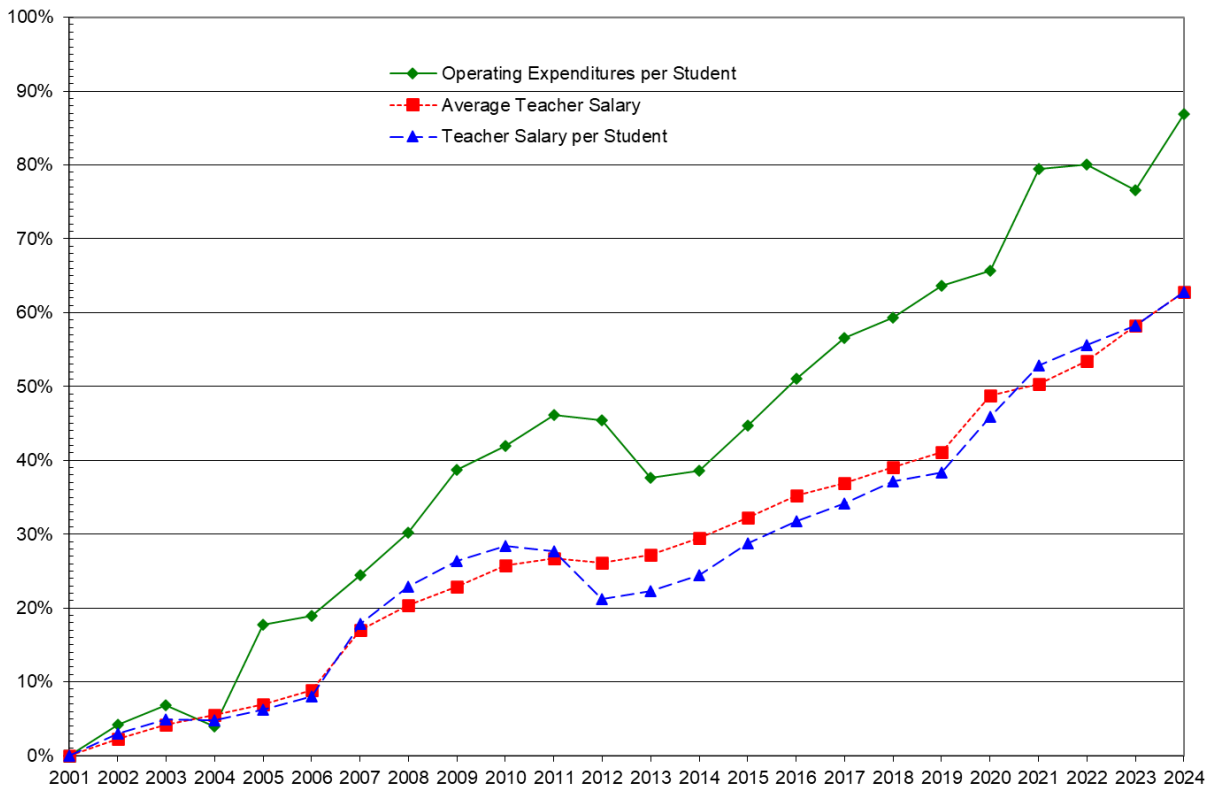
**COMPARISON OF INCREASES IN TEACHER SALARIES TO INCREASES IN STATE AND LOCAL EXPENDITURES PER PUPIL**

Increases are aggregate percentage increases above the 2001 school year.  
(Prepared by Texas Classroom Teachers Association)

School Year	Average Teacher Salary <sup>1</sup>	% Increase from 2000	Teacher Salary per Pupil	% Increase from 2000-01	Operating Expenditures without ESSER	Operating Expenditures per Student without ESSER	% Increase from 2000	Per pupil teacher salary as % of op exp per student w/o ESSER
2001	38,361	0.0%	\$2,592	0.0%	\$24,010,804,383	5,915	0.0%	45.2%
2002	39,232	2.3%	\$2,669	3.0%	\$25,570,630,521	6,167	4.3%	44.6%
2003	39,974	4.2%	\$2,719	4.9%	\$26,785,133,012	6,317	6.8%	44.4%
2004	40,478	5.5%	\$2,717	4.8%	\$26,520,548,538	6,151	4.0%	48.5%
2005	41,011	6.9%	\$2,752	6.2%	\$30,539,587,274	6,967	17.8%	43.9%
2006	41,744	8.8%	\$2,802	8.1%	\$31,684,439,697	7,032	18.9%	44.8%
2007	44,897	17.0%	\$3,054	17.8%	\$33,632,935,147	7,363	24.5%	47.1%
2008	46,179	20.4%	\$3,185	22.9%	\$35,817,918,654	7,700	30.2%	46.0%
2009	47,159	22.9%	\$3,275	26.3%	\$38,800,772,656	8,206	38.7%	44.3%
2010	48,263	25.8%	\$3,328	28.4%	\$40,525,145,922	8,399	42.0%	44.0%
2011	48,638	26.8%	\$3,309	27.7%	\$42,460,695,640	8,644	46.1%	43.5%

2012	48,375	26.1%	\$3,141	21.2%	\$42,804,942,407	8,599	45.4%	41.5%
2013	48,821	27.3%	\$3,170	22.3%	\$41,199,344,944	8,144	37.7%	44.4%
2014	49,692	29.5%	\$3,227	24.5%	\$42,115,353,056	8,200	38.6%	44.3%
2015	50,715	32.2%	\$3,337	28.7%	\$44,633,165,100	8,558	44.7%	43.6%
2016	51,891	35.3%	\$3,414	31.7%	\$47,227,940,856	8,937	51.1%	42.6%
2017	52,525	36.9%	\$3,478	34.2%	\$49,499,494,032	9,263	56.6%	41.8%
2018	53,334	39.0%	\$3,556	37.2%	\$50,754,340,223	9,425	59.4%	42.0%
2019	54,122	41.1%	\$3,584	38.3%	\$52,435,381,781	9,681	63.7%	42.1%
2020	57,091	48.8%	\$3,781	45.9%	\$53,692,440,166	9,799	65.7%	44.0%
2021	57,641	50.3%	\$3,964	52.9%	\$56,890,359,635	10,616	79.5%	42.2%
2022	58,887	53.5%	\$4,033	55.6%	\$57,550,021,970	10,652	80.1%	42.8%
2023	60,716	58.3%	\$4,102	58.3%	\$57,637,758,690	10,445	76.6%	44.4%
2024	62,463	62.8%	\$4,220	62.8%	\$61,146,848,872	11,055	86.9%	42.8%
Teacher salary if average teacher salary per pupil had kept up with increases in operating expenditures per pupil								\$71,700
Difference (amount by which teacher salaries have fallen behind due to insufficient dedication of revenues to salary increases)								\$9,237
Source, Texas Education Agency								
<sup>1</sup> Average teacher base salary	<sup>2</sup> Actual data for previous year							

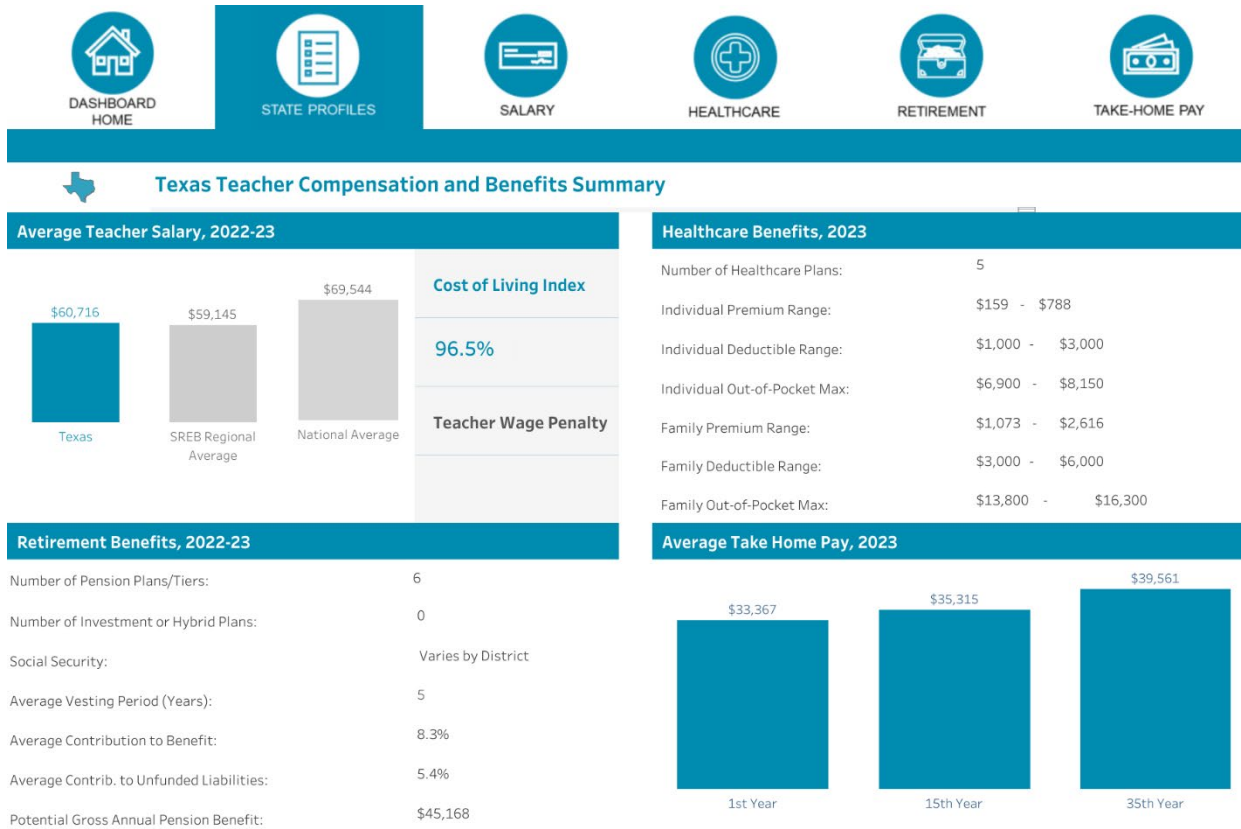
Percentage Increase in Operating Expenditures without ESSER vs. Teacher Salaries



### Health Insurance

Compensation is not limited to teacher pay. Teachers are facing a crisis of health insurance unaffordability that must

be recognized as a factor in low morale. An ongoing, more permanent solution for unaffordable health insurance will be a crucial component of the solution to the teacher shortage, especially the deficit of certified teachers. The Southern Regional Education Board estimates take-home pay in 2023 for a typical first-year teacher in Texas at \$33,367; 15-year teacher at \$35,315; and 35-year teacher at \$39,561. It is clear from the following charts that health insurance premiums are a major part of the problem.



Source: Southern Regional Education Board (SREB). Data updated August 2024 from the 2022-23 school year. Texas: [Teacher Retirement System of Texas](#). The state has moved to a region-based health care plan benefit cost structure. The state was divided into 20 regions in 2023 and each region has an adjusted premium, deductible and out of pocket cost differentiation. SREB averaged the figures across the state to reach the sums provided in the health benefits section for 2023.

You may find exact figures in each of the 20 regions here for the following school years [2022-2023](#) and [2024-2025](#).

Typical Teacher Take Home Pay: What the average first-year teacher, mid-career or 15th year teacher, and 35th year teacher brings home in their paycheck after deducting their required retirement contribution, their health insurance premium costs and taxes, as calculated by SREB.

The funding structure of health care for school employees may be a barrier to a longer-term solution. Although TRS administers the ActiveCare health plan for active employees, covering approximately half of school employees and their families across the state, several districts offer their own local plan. The state contribution to premiums for school employees is provided through the school finance formulas and is not specified or enumerated in any way. TEA – which has no authority over or affiliation with the health insurance program – has not addressed the issue in its budget, despite multiple requests from TCTA and likely others for the last several budget cycles.

Premiums have continued to rise over the years, yet the minimum contributions by the state of \$75 per member per month and districts of \$150 per member per month have remained stagnant since inception more than two decades ago and are not based on actual health care costs. (Many districts opt to contribute more with the average employer/state contribution at \$330, however, those optional contributions have not come near keeping pace with the increased costs.) In 2001, a \$225 contribution covered the cost of the premium for the member. The

contribution no longer covers the premium and teachers are bearing most of the burden of health care costs, significantly higher when compared to other employees across the state. For example, a teacher participating in the TRS-administered ActiveCare insurance plan who needs family coverage will pay a median premium of \$1,554/month in regional-based premiums for the LOWEST level of coverage. And that premium cost per month includes a \$5,000 family deductible in addition to co-pays, with most benefits not kicking in until after the deductible is met.

**TCTA asks the LBB to provide a more permanent solution to unaffordable healthcare for all educators across Texas by considerably increasing the \$75 state contribution, taking into consideration healthcare inflation.**

### **Teacher Incentive Allotment (TIA)**

The TIA program continues to leave out teachers either because their district is not participating in the local option designation system or their district's plan is limiting. TEA's LAR includes a goal of a little more than 74,000 designated teachers - representing only 20% of teachers - through TIA by FY 2027, a substantial number being National Board-Certified Teacher designations.

Teachers have raised concerns about TIA, including:

- A plan doesn't make available designation opportunities to all teachers in the district;
- Designations are provided on an inequitable basis;
- Too many external factors impact a teacher's effectiveness such as class sizes, collaborative planning opportunity, students' prior knowledge and effort, and parental cooperation and engagement;
- Observations are subjective;
- Basing teacher incentives on student test performances is not an appropriate indication of teacher performance;
- Allocation of funds is inadequate and teachers may receive much less than they should have earned; and
- It creates negative feelings and morale.

If the goal is to attract and retain teachers, prospective employees need assurances, not "chances." An EdWeek Research Center survey emphasizes that bonuses, unless they are large, are not an effective way to keep teachers in the profession, with only 5% of teachers saying bonuses around \$2,000 or less would keep them in the profession. Minimum salaries need to be raised to competitive levels, as do benefits. The data show that fewer people are willing to make the choice to be in a profession that puts them at a financial disadvantage.<sup>iii</sup> Incentive pay is simply not a substitute for overall compensation increases. While districts can use measures of student academic growth other than student test scores and can design systems that allow non-core academic teachers to qualify for a designation, many do not do so. This leaves teachers of subjects that do not have standardized test data available ineligible for a designation and the extra pay, leaving educators in important subjects such as special education, career and technology, and fine arts without the opportunity to receive a designation and any associated extra pay.

### **Working Conditions**

A large body of evidence shows there is a strong link between teacher working conditions and teacher turnover and attrition.<sup>iv</sup> There is also a significant link between teaching and learning conditions and school performance.<sup>v</sup> The working conditions that appear to be the driving factors behind teachers' decisions to stay in or leave the profession are: support for new teachers, generous salary schedules, fewer student discipline problems, adequate resources and classroom supplies, effective school leadership, and enhanced faculty input into school decision-making.<sup>vi</sup> Although many aspects of teacher working conditions may be under the control of local school districts and administrators, the state still has a significant role to play. First, the state should engage in comprehensive and systematic data collection regarding teacher working conditions. This step is foundational to enabling state policymakers as well as local school district leadership to develop an understanding of the teacher working conditions that impact teacher job satisfaction and retention.

Texas TELL survey: Texas's own version of a climate survey (for educators) was established when the Texas legislature passed a law several sessions ago which included provisions requiring the commissioner of education to administer a biennial statewide survey to certified educators regarding teaching and learning conditions (TEC Sec. 7.065). The results were to be made public and used to inform district and campus improvement plans, and at the state level to inform state teacher retention and professional development initiatives, and standards for principals and superintendents. The idea behind the survey was that the results would serve as a useful tool for the state and local districts to inform teacher quality, support policies, and initiatives. States like Colorado, Illinois, Kansas, Kentucky, North Carolina and Tennessee have been administering surveys like this with success for a number of years. In Texas, Austin ISD has administered the survey successfully for several years now. For a good example of how the survey has been used successfully in Colorado, visit <https://www.cde.state.co.us/tlcc>.

Texas contracted with the chief architect of a widely used, validated teaching and learning conditions survey, and adapted it to Texas standards. The Texas Teaching, Empowering, Leading and Learning (TELL) survey was administered online to Texas educators in April 2014. However, the 84th Legislature discontinued funding for the survey, and it has not been administered again. **Given the importance of data collection on school climate to inform state and local district policy, we recommend that policymakers reinstate funding for the TELL survey, which is still in law but was only funded for one biennium.**

### **School Safety and Classroom Management**

Safe working conditions are a priority for educators, and teachers consistently cite student discipline problems as a top reason for leaving the teaching profession, as noted by Commissioner Morath in his presentation to the Senate Education Committee during its May 24, 2022, hearing, as well as numerous studies which have examined this issue. One study found that of the 50% of teachers who leave the field permanently, almost 35% report the reason is related to problems with student discipline. Researchers find that "Those schools that do a far better job of managing and coping with and responding to student behavioral issues have far better teacher retention."

Given the increases in student behavior problems, a key investment that the Legislature should make is in behavior interventionists. Teachers and campus behavior coordinators are not behavior intervention experts, and these experts should be employed on every campus and in DAEPs. **Funding for school safety should be increased and a portion dedicated to employing behavior intervention specialists in schools.**

To conclude, education in Texas is at a critical junction; with no real increase in the basic allotment for districts since 2019, a widespread teacher shortage, COVID learning losses, and threats to school safety, Texas educators have more on their plate than ever before. We continue to look forward to working with the Legislature to invest in and strengthen our existing public schools. Providing increased funding for schools, raising teacher salaries and strengthening benefits, improving working conditions, and strengthening safety will ensure that Texas students receive the best education possible from high-quality, experienced, and certified teachers at schools that are the pride of their communities.

## Endnote

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<sup>i</sup> Barnes, G., Crowe, E., & Schaefer, B. (2007). *The cost of teacher turnover in five school districts: A pilot study*. Washington, DC: National Commission on Teaching and America's Future. Retrieved from <https://pdfs.semanticscholar.org/b4ab/6eaa2ac83f4721044e5de193e3e2dec07ac0.pdf>

<sup>ii</sup> Encouraging More High School Students to Consider Teaching By: Michelle Croft, Gretchen Guffy, and Dan Vitale, June 2018, <https://www.act.org/content/dam/act/unsecured/documents/pdfs/Encouraging-More-HS-Students-to-Consider-Teaching.pdf>

<sup>iii</sup> Texas Education Agency. (March 10, 2022). *TEA establishes Teacher Vacancy Task Force to address ongoing staffing challenges in public education*. <https://tea.texas.gov/about-tea/news-and-multimedia/news-releases/news-2022/tea-establishes-teacher-vacancy-task-force-to-address-ongoing-staffing-challenges-in-public-education>

<sup>iv</sup> Texas Education Agency. (September 2022) Texas Education Agency Legislative Appropriations Request. <https://tea.texas.gov/about-tea/agency-finances/legislative-appropriations-request>

<sup>v</sup> *Low relative pay and high incidence of moonlighting play a role in the teacher shortage, particularly in high-poverty schools*, Emma García, Elaine Weiss, Economic Policy Institute, May 9, 2019 <https://files.epi.org/pdf/161908.pdf>; Paying adequate overall salaries is critical to each district's being able to recruit and retain a quality teacher in every classroom, despite the school's location, education challenges it presents, or subjects that must be taught. In short, teacher wage levels need to be competitive.

<sup>vi</sup> Geiger, T., & Pivovarova, M. (2018). The effects of working conditions on teacher retention. *Teachers and Teaching*, 24(6), 604–625 <https://www.tandfonline.com/doi/full/10.1080/13540602.2018.1457524?scroll=top&needAccess=true>;



## Appendix

### Past teacher salary increases

SB 4, 76<sup>th</sup> Regular Session had a \$3000 salary increase using the following language:

(c-1) Notwithstanding Subsection (a), for the 1999-2000 and 2000-2001 school years, a classroom teacher, full-time librarian, full-time counselor certified under Subchapter B, or full-time school nurse is entitled to a monthly salary that is at least equal to the greater of:

(1) the sum of:

(A) the monthly salary the employee would have received for the 1999-2000 or 2000-2001 school year, as applicable under the district's salary schedule for the 1998-1999 school year, if that schedule had been in effect for the 1999-2000 or 2000-2001 school year, including any local supplement and any money representing a career ladder supplement the employee would have received in the 1999-2000 or 2000-2001 school year; and

(B) \$300; or

(2) the salary to which the employee is entitled under Subsection

(a). (c-2) Subsection (c-1) and this subsection expire September 1, 2001.

(d) A classroom teacher, full-time librarian, full-time counselor certified under Subchapter B, or full-time school nurse employed by a school district in the 2000-2001 school year is, as long as the employee is employed by the same district, entitled to a salary that is at least equal to the salary the employee received for the 2000-2001 school year.

The salary increase was funded by an increase in the basic allotment, guaranteed wealth level and Tier 2 guaranteed yield and by additional state aid through the following provision:

Sec. 42.2512. ADDITIONAL STATE AID FOR PROFESSIONAL STAFF SALARIES. (a) A school district, including a school district that is otherwise ineligible for state aid under this chapter, is entitled to state aid in an amount, as determined by the commissioner, equal to the difference, if any, between:

(1) an amount equal to the product of \$3,000 multiplied by the number of classroom teachers, full-time librarians, full-time counselors certified under Subchapter B, Chapter 21, and full-time school nurses employed by the district and entitled to a minimum salary under Section 21.402; and

(2) an amount equal to 80 percent of the amount of additional funds to which the district is entitled due to the increases made by S.B. No. 4, Acts of the 76th Legislature, Regular Session, 1999, to:

(A) the equalized wealth level under Section 41.002;

(B) the basic allotment under Section 42.101; and

(C) the guaranteed level of state and local funds per weighted student per cent of tax effort under Section 42.302.

(b) A determination by the commissioner under this section is final and may not be appealed. (c) The commissioner may adopt rules to implement this section.

A similar funding mechanism was used to establish state support for health care in H.B. 3343, 77<sup>th</sup> Regular Session. This funding has not been increased since this time.

H.B. 1, 79<sup>th</sup> Third Called Session increased salaries by \$2500 through the following mechanism:

(c-1) Notwithstanding Subsection (a), for the 2006-2007 school year, a classroom teacher, full-time librarian, full-time counselor certified under Subchapter B, or full-time school nurse is entitled to a monthly salary that is at least equal to the sum of:

(1) the monthly salary the employee would have received for the 2006-2007 school year under the district's salary schedule for the 2005-2006 school year, if that schedule had been in effect for the 2006-2007 school year, including any local supplement and any money representing a career ladder supplement the employee would have received in the 2006-2007 school year; and

(2) \$250.

(c-2) Subsection (c-1) and this subsection expire September 1, 2007.

(d) A classroom teacher, full-time librarian, full-time counselor certified under Subchapter B, or full-time school nurse employed by a school district in the 2006-2007 [2000-2001] school year is, as long as the employee is employed by the same district, entitled to a salary that is at least equal to the salary the employee received for the 2006-2007 [2000-2001] school year.

H.B. 3646, 81<sup>st</sup> Regular Session increased salaries through a mechanism that varied by district with a minimum \$800 increase using the following language:

(c-1) Notwithstanding Subsection (a), for the 2009-2010 and 2010-2011 school years, each school district shall increase the monthly salary of each classroom teacher, full-time speech pathologist, full-time librarian, full-time counselor certified under Subchapter B, and full-time school nurse by the greater of:

(1) \$80; or

(2) the maximum uniform amount that, when combined with any resulting increases in the amount of contributions made by the district for social security coverage for the specified employees or by the district on behalf of the specified employees under Section 825.405, Government Code, may be provided using an amount equal to the product of \$60 multiplied by the number of students in weighted average daily attendance in the school during the 2009-2010 school year.

(c-2) An increase in salary under Subsection (c-1) does not include:

(1) any amount an employee would have received for the 2009-2010 or 2010-2011 school year, as applicable, under the district's salary schedule for the 2008-2009 school year, if that schedule had been in effect for the 2009-2010 or 2010-2011 school year, including any local supplement and any money representing a career ladder supplement the employee would have received in the 2009-2010 or 2010-2011 school year; or

(2) any part of the salary to which an employee is entitled under Subsection

(a). (c-3) Subsections (c-1) and (c-2) and this subsection expire September 1, 2011.

(d) A classroom teacher, full-time speech pathologist, full-time librarian, full-time counselor certified under Subchapter B, or full-time school nurse employed by a school district in the 2010-2011 [2006-2007] school year is, as long as the employee is employed by the same district, entitled to a salary that is at least equal to the salary the employee received for the 2010-2011 [2006-2007] school year.

H.B. 3646 increased the basic allotment and provided a minimum increase of \$120 per WADA to every district. The salary increase constituted 50 percent of each district's minimum entitlement.