

Helping Texas Teachers Act HB 16 – SB 20

Fiscal Note

State Government Impact

No significant fiscal implication to the State is anticipated, other than the cost of publication; the cost to the state for publication of the resolution is \$114,369. This estimate assumes that the requirements of the resolution apply to school districts in their use of funds and does not change the current law use of lottery revenues as a method of finance for the Foundation School Program.

The resolution would amend the Constitution to require, beginning with fiscal year 2021, revenue received from the operation of the state lottery, after payment of administrative costs, amounts paid for lottery prizes, and any net proceeds paid for veterans' assistance attributable to a lottery game established for that purpose, to be deposited to the Foundation School Fund. Under current law, these funds are statutorily dedicated and deposited to the Foundation School Fund. The constitutional amendment would further require that 50 percent of the funds deposited in the Foundation School Fund from the operation of the state lottery be used only to fund salary increases and bonuses for public school classroom teachers with at least six years of teaching experience and for the school district teacher retirement contribution costs exclusively associated with salary adjustments authorized by the provision. It is assumed that this requirement applies to school districts in their use of funds and does not change the current law use of net lottery revenues as a method of finance for the Foundation School Program.

This resolution would be submitted to voters at an election to be held on November 7, 2019. The cost to the state for publication of the resolution is \$114,369 in fiscal year 2020.

Local Government Impact

The resolution would specify that certain revenue currently received by school districts could only be used for the purposes of classroom teacher salary increases, bonuses, and related costs; the bill would also result in local costs for both retirement and TRS-Care. As a result, school districts would have less available revenue to fund all other operations.