

Texas Children and the 2025 Legislative Session

Review of Policy Progress During
the 2025 Texas Legislative Session:

Early Learning

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This was a busy session for early learning issues, with the Legislature making a historic investment in child care, passing several strategic child care bills, and approving an \$8.5 billion school finance bill that includes investments in early learning. Unfortunately, lawmakers also took steps this session that could pose new challenges in pre-k.

We are thrilled that the Legislature approved an additional \$100 million for more child care scholarships — a policy priority that our staff has tirelessly championed. These scholarships, provided by the Texas Workforce Commission, have proven to be very effective in helping low-income Texas parents go to work and find high-quality child care for their kids, but approximately 95,000 families are on the waiting list for a scholarship. The new funding, drawn from unexpended TANF dollars, means thousands of additional families will now get a scholarship. We are particularly thankful to Speaker Dustin Burrows, Chair Greg Bonnen, Chair Armando Walle, and Chair Joan Huffman for their leadership on this issue. We also appreciate all the organizations from across Texas who joined with us in advocating for this investment. This vital investment means more parents can work and more kids can thrive — but it can't be a one-time fix. We look forward to working with legislative leaders and partners on a sustainable, long-term funding approach that builds on this investment.

We're also excited that lawmakers passed a package of other important bills to improve access to high-quality child care:

- SB 462 by Sen. Kolkhorst will enable child care programs to recruit and retain staff and improve the supply of child care by helping child care educators secure care for their own kids.
- SB 599 by Sen. West will remove local barriers to licensed and registered child care homes.

- HB 2294 by Rep. Thompson will provide a new tool in the toolbox for local communities to support and incentivize child care programs that participate in the Child Care Services program.

With so many bills supporting child care this session, we were fortunate to partner with many other groups from across the state who helped champion these reforms.

One of the big themes this session was improving and streamlining the state's governance and oversight of early childhood education programs. Lawmakers passed several bills to assess ways state agencies can provide better support for families and providers:

- HB 2310 by Rep. Ordaz will bring together key state agencies to develop a plan to improve early learning opportunities for young children with disabilities.
- HB 117 by Rep. Schoolcraft establishes the Governor's Task Force on Governance of Early Childhood Education and Care.
- HB 3963 by Rep. Capriglione codifies the creation of an Early Childhood Integrated Data System to better assess program capacity and effectiveness.
- HB 4903 by Rep. Harris Davila establishes a Quad-Agency Child Care Initiative to review and streamline state regulations that impact child care programs.



Our team will be busy engaging with these initiatives to ensure they are improving supports for children and families. Additionally, they pose an opportunity to identify new, innovative policy solutions for future legislative sessions.

Some of the biggest debates of the legislative session were about sweeping, contentious education bills. The Legislature created a new Education Savings Account program for private schools, child care programs, and homeschooling, which includes children eligible for public pre-k. They also passed a major public school funding bill to provide a much-needed \$8.5 billion investment in public education. The bill primarily directs new funding to teacher pay while also boosting the state's investment in special education, school safety, and other priorities.

The school funding bill, HB 2 by Rep. Buckley, tackles longstanding special education challenges and begins to address bilingual teacher shortages. It enacts recommendations of the Texas Commission on Special Education Funding that restructure special education funding to reflect the intensity of services provided. For example, a student who receives public education services in a hospital or homebound environment will

now generate more funding to help cover the cost of those services than a student who receives periodic support in a general education classroom. The bill also waives fees for special education and bilingual education certification exams and applications, an important step to ease teacher shortages in these areas.

HB 2 also includes several provisions that focus on early learning. The bill expands access to pre-k by ensuring children of public school teachers are eligible for public pre-k in the school district where they work. HB 2 also increases the Early Education Allotment (EEA) by an estimated \$90 million by adding a small weight to all kindergarten through third-grade students in Average Daily Attendance (ADA). In the 2024-2025 school year, the EEA provided approximately \$800 million to school districts across the state. Districts can use EEA funding for pre-k as well as the increasing costs of early literacy and numeracy requirements. Additionally, lawmakers considered multiple proposals to address the pre-k funding gap. Currently, the state directly funds only half of the full day of pre-k that school districts are required to provide to eligible four-year-olds. Ultimately, the bill changes the distribution of existing EEA funding, but it does not correct the half-day funding formula. Previously, the EEA was calculated and disbursed to

schools based on the ADA of low-income or emergent bilingual students in kindergarten through third grade. Now, under HB 2, the state will distribute EEA funds to districts largely based on their pre-k attendance. We will be monitoring how this change impacts the funding available for pre-k programs for districts.

Unfortunately, HB 2 also creates potential roadblocks for tuition-based pre-k and the construction of new pre-k classrooms. School districts currently have the option to offer tuition-based pre-k to families outside of eligibility for free pre-k if they have space available. Under HB 2, starting in the 2027-2028 school year, schools may not be able to offer tuition-based pre-k unless one of four new intermediary organizations designated by the Texas Education Agency (TEA) verifies that an eligible private child care provider is unavailable to serve the families who are seeking to enroll. These intermediary organizations would also verify the availability of private child care providers before a school district could repurpose, lease, or build a classroom for pre-k students, who they are required by law to serve. TEA will have to determine how the intermediaries carry out these two new roles. We will closely monitor the implementation of these provisions.

We also need to keep an eye on a concerning provision in HB 6 that allows for expanded use of out-of-school suspensions in pre-k through second grade. In 2017, the Legislature took a bipartisan step to limit out-of-school suspensions in these grades and encourage more effective behavioral supports for children in these early grades. HB 6 expands the circumstances in which out-of-school suspension is allowed in pre-k through second grade, including for disruption. As a result, school districts can now remove four- and five-year-olds from school for behaviors common for their age, causing them to miss essential foundational learning.

Finally, there were important proposals that passed the House — thanks to hardworking legislators as well as our own staff — but did not make it through the Senate:

- The House version of HB 2 would have extended public school pre-k eligibility to include three- and four-year-olds with disabilities. We're disappointed that legislators ultimately removed that provision from the bill. Currently, pre-k eligibility is limited to three- and four-year-olds who meet income eligibility, are learning English, or meet one of the other eligibility criteria.

The House version of HB 2 would have extended public school pre-k eligibility to include three- and four-year-olds with disabilities. We're disappointed that legislators ultimately removed that provision from the bill.

- Similarly, the House passed HB 1581 by Rep. Guerra, but the Senate did not take it up. The bill would have enabled TEA to monitor the effectiveness of bilingual and ESL programs, provide timely technical assistance, and improve literacy outcomes. Lawmakers should revive and pass these two proposals next session.

This legislative session brought important progress for early childhood education policy, but there is significant work left to do. Families need access to early learning support — whether they opt to keep their young children at home, sign them up for pre-k, or enroll them in child care. To accomplish that goal, stakeholders must collaborate to develop a cohesive, long-term strategy. Policymakers must commit to sustaining their investment in child care scholarships and work with community partners and external stakeholders to thoughtfully implement the bills passed this session. Furthermore, rather than introducing new pre-k barriers, state leaders should return to the decade-long trend of harnessing the power of pre-k so that more children start school ready to thrive in kindergarten and beyond.

OUTCOMES FOR KEY EARLY LEARNING LEGISLATION



PASSED

Support Children

HB 2294 by Rep. Thompson

Similar to SB 972 by Sen. Zaffirini

Allows local communities to provide reimbursement rates to child care programs at the state's established reimbursement rate to incentivize child care programs to enroll more eligible families.

HB 2310 by Rep. Ordaz

Develops a strategic plan to improve early learning opportunities for young children with disabilities.

HB 3963 by Rep. Capriglione

Similar to SB 2194 by Sen. Paxton

Codifies the creation of an Early Childhood Integrated Data System to better assess the effectiveness of current policies and better understand where families are enrolling and gaps in supply.

SB 462 by Sen. Kolkhorst

Similar to HB 3807 by Rep. Harris Davila

Improves access to child care for child care educators by including them in the priority category for child care scholarships if they are eligible.

SB 599 by Sen. West

Similar to HB 4127 by Rep. A. Davis

Removes local barriers to licensed and registered child care homes.

SB 1265 by Sen. Alvarado

Similar to HB 5122 by Rep. Harris Davila

Directs the Texas Workforce Commission to prominently publish resources on its website to help employers better support their employees' child care needs.

Impact Children

HB 2 by Rep. Buckley

Contains provisions of HB 123 by Rep. Dutton, SB 568 by Sen. Bettencourt, and SB 2252 by Sen. Creighton

Increases school funding by \$8.5 billion, redistributes existing Early Education Allotment funding in an amount equal to half average daily attendance (ADA) for eligible pre-k students, restructures special education funding to reflect the actual services provided, adds new restrictions to tuition-based pre-k for children in public schools, requires districts to seek verification from an outside intermediary to build new pre-k classrooms, waives fees for special education or bilingual education certification, and takes other steps on early learning and school finance.

HB 117 by Rep. Schoolcraft

Establishes the Governor's Task Force on Governance of Early Childhood Education and Care under the Texas Education Agency to address governance challenges impacting early childhood education in Texas.

HB 4903 by Rep. Harris Davila

Similar to SB 2049 by Sen. Birdwell

Establishes a Quad-Agency Child Care Initiative that brings the TWC, HHSC, DFPS, and TEA together to review and streamline state regulations that impact child care programs.

SB 2 by Sen. Creighton

Creates an Education Savings Account (ESA) program, sometimes referred to as vouchers. Includes 3- and 4-year-old children who are eligible for Texas public pre-k based on their income, home language, or other criteria. High-quality child care providers are able to participate if they are accredited through the Texas Private School Accreditation Commission or if they meet other quality benchmarks.

SB 568 by Rep. Bettencourt

Revises special education funding and policies.

Raise Concerns

HB 6 by Rep. Leach

Expands the ability to issue out-of-school suspensions to students in pre-k through second grade and makes other school discipline changes — such as extending limits on in-school suspensions and authorizing a virtual disciplinary alternative education program — that could result in more students removed from the classroom without adequate support for their behavioral or academic needs.

DID NOT PASS

Support Children

HB 175 by Rep. M. González

Would have created an optional certification for child care providers who provide exemplary services for children with disabilities and their families and enabled the Texas Workforce Commission to establish and administer a grant program to support these providers.

HB 1581 by Rep. Guerra

Similar to SB 152 by Sen. Menéndez

Would have enabled TEA to monitor the effectiveness of bilingual and ESL programs, provide timely technical assistance, and improve literacy outcomes.

HB 1996 by Rep. Hernandez

Similar to SB 2526 by Sen. Zaffirini and House version of HB 2 by Rep. Buckle

Would have added children with disabilities to Texas pre-k eligibility.

HB 2271 by Rep. Walle

Would have required child care providers to report their capacity and enrollment information to the Texas Workforce Commission so families can more easily find available child care slots, programs can advertise availability, and policymakers can assess supply in the state.

HB 3191 by Rep. Button

Would have created an employer child care contribution partnership program, a child care innovation pilot program, and a franchise tax credit for certain employer child care contributions.

HB 4024 by Rep. Walle

Similar to SB 1739 by Sen. West

Would have established a state fund for additional child care scholarships.

HB 5086 by Rep. Ordaz

Similar to SB 3007 by Sen. Blanco

Would have provided innovation grants that address pressing local child care needs, shortages of infant care, care for children with disabilities, and nighttime care.

Impact Children

HB 4 by Rep. Buckley

Would have replaced STAAR tests and revised the accountability system for Texas public schools.

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