

Austin effort to improve schools disappoints again

What do lawmakers hope paltry funding will achieve?

The Texas House has finished its education and tax bills. Now the Senate goes to work. Let's compare what the House has adopted with where the Senate is starting.

The House provides an increase of about \$3 billion for the biennium. Sounds like a lot, except that 1) it doesn't get us out of the hole we dug in 2003 with cuts and cost shifts in education; 2) a big chunk, perhaps a billion, is merely money to schools for things the state normally pays for directly such as textbooks, so it isn't really "new money" for education; 3) in any event, the money doesn't cover inflation; and 4) it must mostly pay for new state mandates anyway.

Texas is simply not doing what we must to ensure a highly educated citizenry and workforce. We have one of the most ethnically diverse and economically disadvantaged student populations in the nation. Yet, average per student spending nationally is about 12 percent higher than Texas spending.

Even so, over the last decade, our public schools have made gains. On the National Assessment of Educational Progress, the nation's report card, Texas' student demographic groups are now performing near the top compared to their counterparts in other states. Nevertheless, we have a long way to go to close the gaps between groups. Poor and minority students still fall far behind. If adequately funded, our public schools can help them catch up.

The House does give some favored districts more money—much more money. For example, under the House plan, even before local enrichment, Highland Park in Dallas would see their per student spending increase by as much as \$3,000, while Houston

Independent School District would see increased per student spending of about \$250. After local enrichment, the gap grows even larger.

While the 4.3 million children in our public schools will almost double by 2040, the House provides nothing for school facilities, claiming there will be a second bill for facilities, even though there is no money to fund such a bill.

Indeed, the House insisted that all new money for education come from cuts in the budget, even though state government is under funded and went through devastating cuts in 2003.

The House does propose to raise state taxes, but only to lower school district property taxes. The House calls this a revenue neutral tax swap, but it actually increases taxes for the bottom 80% of Texas households, while lowering taxes for the top 20%.

To make matters worse, the House dedicates 15 percent of state revenue growth to reduce property taxes more in the future. Given our under funded state budget, we can't afford to set aside revenue growth to continue to reduce taxes.

In contrast, the Senate has tentatively proposed \$4.3 billion in new money over the biennium; not enough, but more than the House. Its plan is somewhat more equitable than the House plan, though it still allows the gap between the rich and poor to grow. The Senate doesn't confront our facilities problem but does provide some new money for fast growing districts.

Like the House, the Senate raises state taxes to lower school property taxes, but unlike the House, the Senate is considering a partial exemption from the state sales tax for very low-income families and a requirement that landlords pass through property tax relief for renters. Unlike the House, the Senate is not proposing to divert revenue growth from vital needs to reduce property taxes even more.

The Senate does propose a state property tax for education, but this is in lieu of, not on top of, a local tax. Some oppose a state property tax, suggesting that school districts will “lose” local control. In fact, however, school districts have already lost local control because most are at or near their property tax cap.

The Senate plan actually gives back local control by providing a 15 cent local enrichment tax, while still leaving total property taxes below what we now pay. Perhaps 15 cents is not quite enough, and certainly it isn’t adequately equalized, but the approach is basically sound. With a state property tax, all districts would share in the growing property wealth of the state.

Where the Senate ends up remains to be seen, as does whether the Senate outwrestles the House in conference, but our only hope is that the Senate will support public education to secure a prosperous future for Texas.

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