



NEWS RELEASE

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Statement by F. Scott McCown on the Texas Supreme Court's School Finance Ruling

Austin, TX—Today, the Texas Supreme Court ruled (7 to 1) in the school finance case, holding that local school district property taxes capped at \$1.50 per \$100 valuation constitute a state property tax prohibited by the constitution but that public school financing does not yet violate the “general diffusion of knowledge” mandate of adequacy, efficiency, or suitability. The Court did not rule that “Robin Hood” or “recapture” is unconstitutional. The Supreme Court extended the trial court’s October 1 deadline for a legislative solution to June 1.

Retired state district judge Scott McCown, who presided over all of Texas' public school finance cases from 1990-2002, and is now the Director of the Center for Public Policy Priorities, issued the following statement:

“Today’s ruling is mostly a victory for public education. The Supreme Court has provided important guidance to the Governor and the Legislature as they work to adequately and fairly fund public education. Here are the three critical points:

Unconstitutional state property tax

“The Supreme Court has held that we have an unconstitutional state property tax. Significantly, however, the Court has gone out of its way to say that merely reducing local school district property taxes does not satisfy the constitution. Under any new law, school districts must be able to set a property tax rate that brings them money to supplement an otherwise adequate education. The Legislature can’t simply reduce and cap property taxes. (Opinion at 83.)

Adequacy

“While the Court found the system adequate, the Court is obviously worried about the future of the system without ‘increased funding, improved efficiencies, or better methods of education.’” (Opinion at 69.) The Court writes, ‘. . . especially in this Information Age, education as a fundamental basis for our future has grown by orders of magnitude.’ (Opinion at 87.) As a public school student would say, the Court “gets it.” We must strengthen public education.

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Equity

“Significantly, the Court reaffirmed that ‘[c]hildren who live in poor districts and children who live in rich districts must be afforded a substantially equal opportunity to have access to educational funds.’ (Opinion at 5.) The Court goes on to paint a picture of a very inequitable system, before seemingly reluctantly concluding that it ‘cannot say that [these present inequities] render the entire system inefficient.’” (Opinion at 72.) Given the Court’s opinion, however, if equity continues to erode, there will be further litigation. With regard to equity in funding facilities, the Court in essence invites further litigation by ruling only that necessary evidence was not presented rather than that facilities funding is equitable. (Opinion at 73.)

As the Governor and the Legislature move forward to address the needs of public education, it is extremely important to remember that our Constitution sets minimum standards—the least we must do. The Governor and the Legislature should make sure we make the maximum effort—the most we can do for our children.”

The Center for Public Policy Priorities is a nonprofit, nonpartisan research organization committed to improving conditions for low- and moderate-income Texans.