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## Testimony for Senate Finance Work Group on School Finance

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The Center for Public Policy Priorities is an independent public policy organization that uses data and analysis to advocate for solutions that enable Texans of all backgrounds to reach their full potential. We envision a Texas where everyone is healthy, well educated, and financially secure. To reach this vision the state needs to improve the minimally constitutional school finance system.

In many ways, the school finance system is like an old house that has fallen into disrepair and is in need of some serious renovations. To keep your home running efficiently and to maintain its value, periodic updates and repairs are required.

All good remodels start with plans and goals. We need to establish a firm vision for public education – the state will never reach its higher education 60X30 goals if we do not invest in public education today. Research shows that when schools have more resources they invest in smaller classroom sizes, enrichment activities that foster learning, and professional development for teachers – all things that lead to greater student outcomes. The responsibility for funding our public education system should be shared equally between the state and local school districts.

When taking on a large renovation, you call in all the experts. While this work group is great first step, this process cannot happen in one chamber alone. Overhauling the school finance system is going to take leadership from the Senate, House, and the Governor's Office. The process also needs to include the business community, the philanthropic community, and the education leaders working on the ground. Right now, all of these entities have been discussing school finance separately, but are ready to come together, build consensus, and make the hard decisions.

We have done this before, and can be successful in doing it again. The last time was in 1983 when the legislature convened the Select Committee on Public Education – a diverse group representing the House and Senate leaderships, the Governor, business leaders and education stakeholders. At that time, the legislature knew "Serious consideration and long-range planning are necessary to carry the Texas educational system into the 21<sup>st</sup> Century as a quality, effective system."

Recommendations from this committee went on to become HB 72 (1984) and created many of the positive elements seen in our school finance system today, such as the equalized basic allotment, weighted student funding, and Prekindergarten. As we work to remodel the school finance system, it is important to preserve the parts that are working and build upon them. Our school finance system has many challenges, but it is not a complete tear down.

Thirty years of incremental changes and tweaks around the edges has ultimately left us with an outdated school finance system bogged down in inefficiency and funding levels not aligned with current costs. To move forward, the legislature should engage in a cross-sector, consensus-building process to design the optimal school and determine the costs associated with running that school. From there, it is possible to develop a method of finance that provides adequate funding to all districts in an equitable way.

Renovations are hard, dusty, and the longer we put them off the more expensive they become – but in the end, the effort is always worth it. The 5.2 million children in Texas public schools today cannot wait any longer.

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For more information or to request an interview, please contact Oliver Bernstein at [bernstein@cphp.org](mailto:bernstein@cphp.org) or 512.823.2875.

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