

Testimony for Senate Finance Committee on SB 1

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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 background 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 and increase its investment in public education.

We applaud this committee for embracing the Supremes Court’s call to revamp the school finance system and we look forward to working with the Senate on this endeavor. Though the school finance system is badly in need of repair, there are several aspects of the current system worth preserving and building upon.

Weighted Student Funding – Texas was one of the first states to recognize that different students need different levels of resources to be successful. However, these weights were set below recommended levels and have not been updated in 30 years.

Equity Between Districts – Both the district court and the state Supreme Court credited recapture with improving equity between districts. However, underfunding of the system as a whole has led to districts with great needs finding themselves subject to recapture provisions.

Early Education – Texas invests in a half-day Pre-K program through the formulas for economically disadvantaged and ELL students. However, most districts have moved to the full-day program yet the state only provides funding for a half-day.

Most importantly, we cannot put the education of student in the classroom today on hold while developing new proposals. To keep pace with inflation CPHP recommends the Senate Finance Committee increase the Basic Allotment to \$5,263 in 2018 and \$5,390 in 2019. An increase in the Basic Allotment, the primary building block of the school finance formals, also reduces recapture payments and lessens the gap some district will experience with the expiration of ASATR.

Texas has sufficient revenue to support both education and health care, even during this tight budget year. Instead of using revenue freed up from rising property values, those funds should be used to increase the basic allotment. Our Rainy Day Fund will reach \$12 billion by 2019, and is the largest reserve of state funds in the county. This fund is specifically designed for times like these, when a strategic infusion of funds can help prevent sudden, massive cuts to essential state services.

For more information or to request an interview, please contact Oliver Bernstein at bernstein@cphp.org or 512.823.2875.

About CPHP

The Center for Public Policy Priorities is an independent public policy organization that uses research, analysis and advocacy to promote solutions that enable Texans of all backgrounds to reach their full potential. Learn more at CPHP.org.

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