



Testimony in Opposition to SB 91 Senate Finance – August 30, 2021

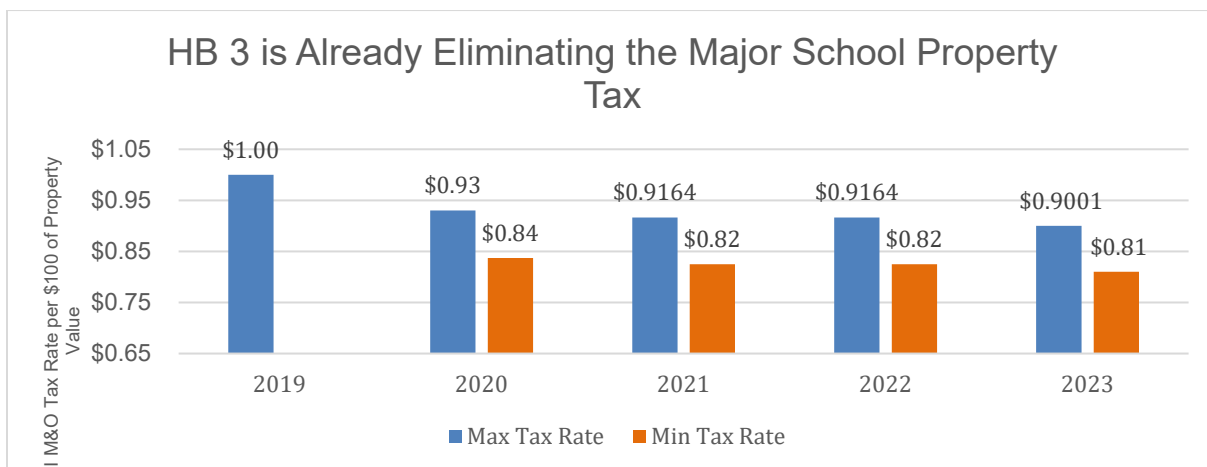
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Every Texan opposes SB 91, which accelerates the elimination of the Tier I M&O and harms the state’s ability to fully support public education when our schools are facing more uncertainty than ever.

In 2019, the Texas Legislature passed House Bill 3 (HB 3) — an \$11.6 billion school finance reform law that dedicated over \$6 billion toward investments in education and \$5 billion toward replacing school property taxes with state aid. The property tax cut portion of HB 3 is set to expand each year, costing the state more money annually without sending any additional funding into classrooms.

[Most concerning in HB 3](#) was the elimination of the fundamental tax equity principle that school districts must receive similar revenue for similar tax effort, which is measured in school property tax rates. SB 91 being heard today seeks to accelerate this harmful provision for the 2022-23 school year using additional state funds to grant authority to the commissioner to allow individual school districts to lower property taxes beyond current law as long as they continue to tax within 90% of the highest taxing district.

Under HB 3, property tax rates will drop to \$0.9001 per \$100 of property value in 2023 – the second year of the recently passed budget, down from \$1.00 per \$100 of property value in 2019. The further compression directed in SB 91, brings more districts to the minimum taxing level. Again, increasing educational costs to the state without benefiting the classroom.



With the passage of SB 1, the two-year state budget for fiscal years 2022 and 2023, the Legislature solidified four years of stagnate funding for public education by ignoring the cost of inflation and not raising the basic allotment above the amount set in 2019.

The true goal of HB 3 was always to eliminate the Tier I M&O property tax, SB 91 just accelerates those goals. Without a plan to pay for it, the students of Texas suffer. During a global pandemic the Legislature should be focused on measures like enrollment based funding that provide stability for districts facing COVID closures and providing online options instead on undermining its ability to support our schools today and in the future.