

Equalizing School Funding in Texas

What is recapture and
why is it important?



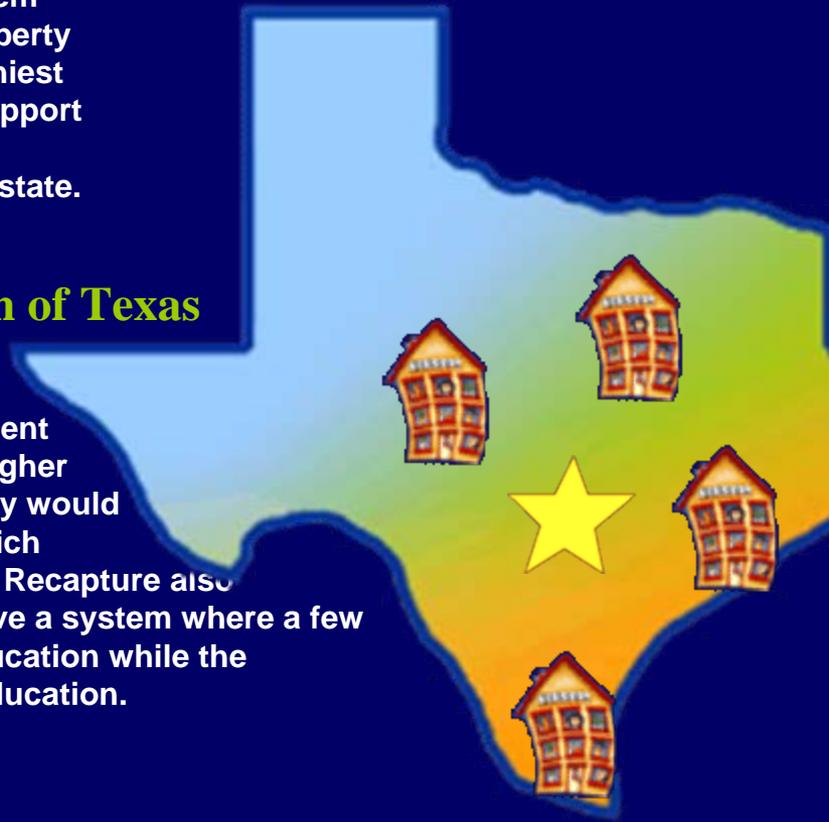
What is recapture?

What is Recapture?

Recapture is the provision of the Texas school finance system through which excess property wealth in the state's wealthiest districts is used to help support educational equity for all children across the whole state.

Why do the children of Texas need recapture?

Recapture enables 90 percent of all students to have a higher level of education than they would otherwise have, due to which neighborhood they live in. Recapture also ensures that we *do not* have a system where a few children have superior education while the majority receive inferior education.



Which school districts are subject to recapture?

There are 1,041 school districts in the state. Of those, less than 10 percent are subject to recapture.

Districts are labeled "wealthy" when the total value of all property in the district is greater than most districts in the state. The district may have natural resources, such as oil or other minerals, businesses and expensive homes.

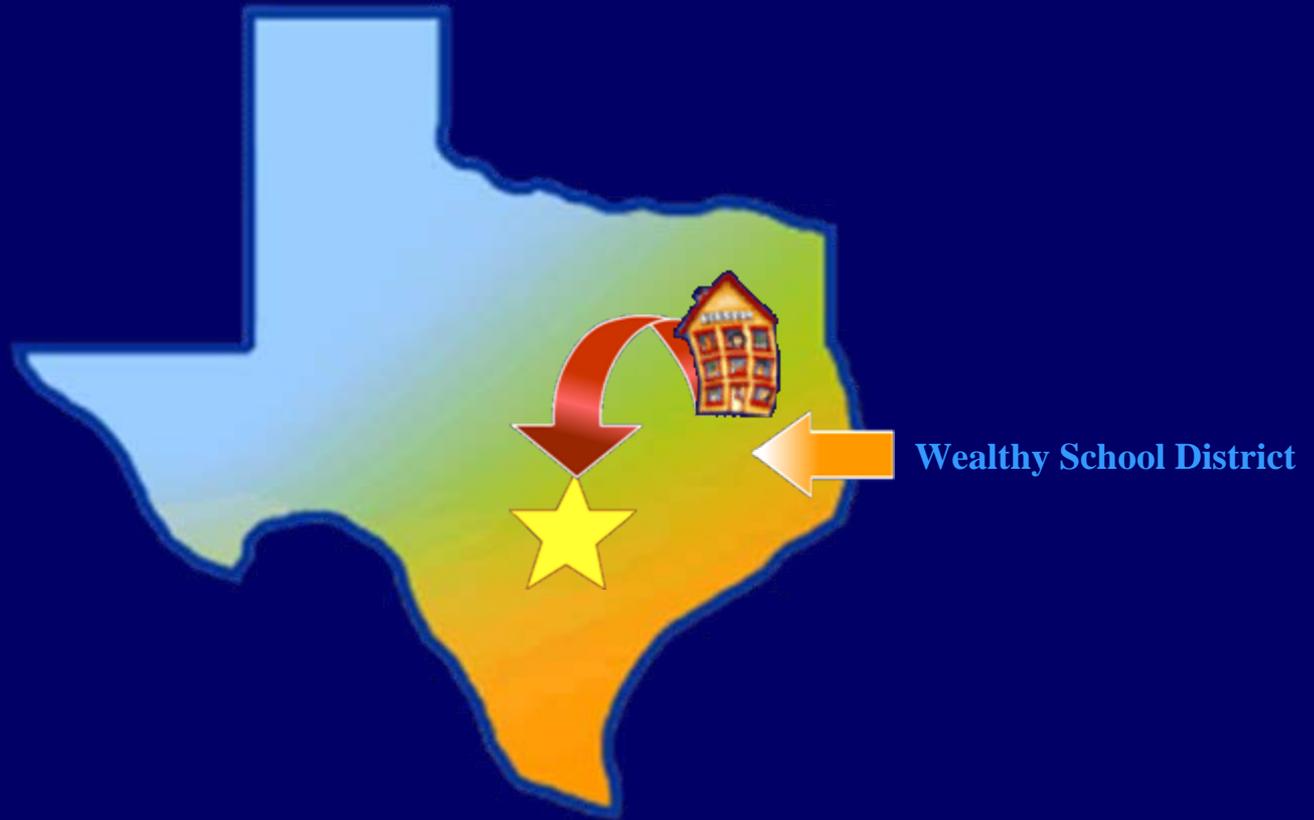
Wealthy School District

The total property value in the district is added up. Then it is divided by the number of students going to school in the district.

How does recapture work?

Extra money generated by taxes from wealthy districts is sent to Austin. The money is said to be “recaptured.” It is deposited into the state budget.

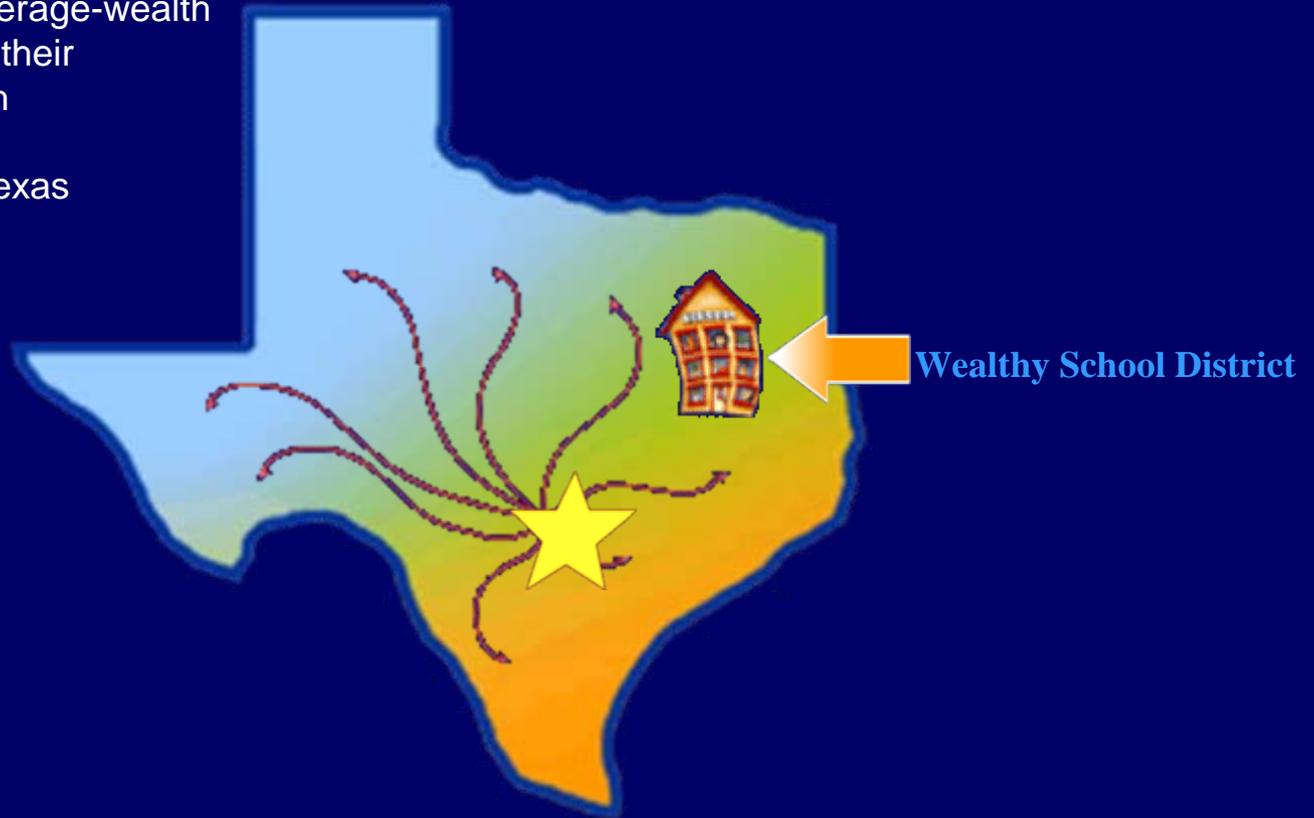
This is what most wealthy districts opt to do. A small number share their wealth directly with another one of the 900 or so low- or average-wealth school districts.



How does recapture work?

Which districts benefit from recapture?

Recaptured money is then sent from Austin to low- and average-wealth School districts to support their education programs, which together educate about 90 percent of all children in Texas public schools.



What would happen if we lost recapture?

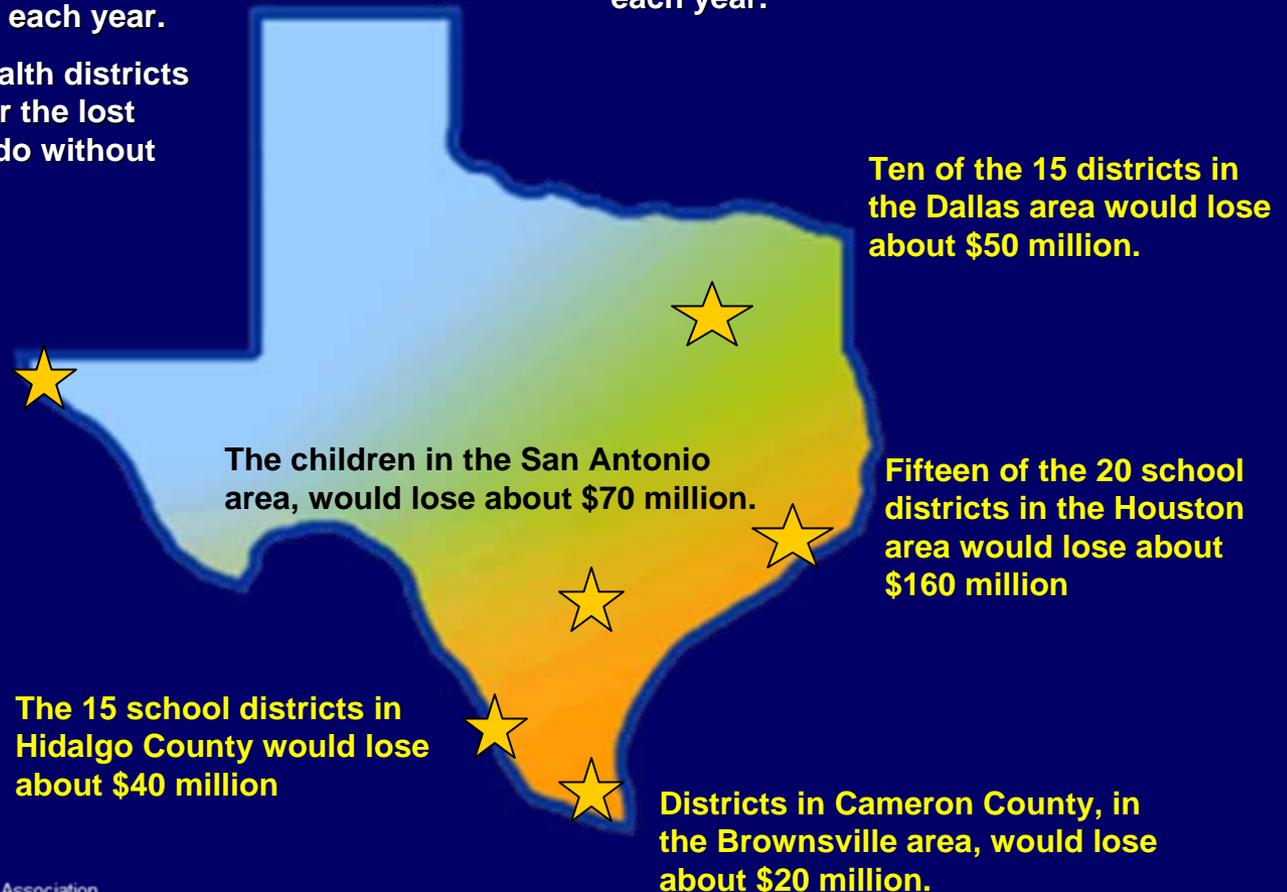
Eliminating recapture would cause about 900 school districts to lose more than a billion dollars* in funding.

That means the majority of Texas children would have about \$200 less for their education each year.

Taxes for the poor and average wealth districts would have to go up to make up for the lost funding or schools would have to do without this funding.

If we get rid of recapture, the 118 wealthy districts would get almost \$2,000 more for each of their student's education each year.

*based on 2002-03 state funding estimates





Strengthening Schools to Work for All Children

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