Texas School Funding Must Serve All Students Equitably

IDRA Perspectives on 2011 Texas School Funding Equity and Related Budget Issues

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As the Texas Legislature struggles to address the Texas school funding crisis, there are some new school finance plans and amendments on the table – or potentially on the table – that policymakers may consider. IDRA offers the following perspectives.

Across-the-Board Cuts are Highly Inequitable
One idea being discussed is a 10 percent across-the-board cut for all school districts, which would cut school funding by about $4 billion per year over the next two years. But such a simplistic approach is highly inequitable. It might have been fine if our schools were already funded equitably, but they are not – not even close. Instead, such proposed cuts would be applied on top of a school funding system that is both under-funded and inequitable by hundreds, and in some cases thousands, of dollars per student.

A more fair approach would ensure school districts that have been under-funded for more than five years would receive no cuts today. Their communities have already been “feeling the pain” for some time now. In addition, the group of school districts that have benefitted from decades of hold-harmless revenue and, more recently from target revenue, should bear the greater cuts in order to bring them back into the equalized system that the lion’s share of Texas schools must operate within.

Trying to “spare” cuts to wealthy school districts at the expense of low and average wealth school districts is both impractical and unjust.

Special Population Funding Increases are Needed
Other ideas that are being considered by the House must be seen as the steps forward that they are. One move in the right direction is a proposed increase in compensatory education and English language learner weights (though still not reflective of actual costs).

Target Revenue and Hold-Harmless Funding Should be Ended with No More Phasing Out
Another House provision would address the significant inequities by eliminating target revenue funding. This is absolutely essential. But an accompanying plan to phase it out over several years is hazardous. Similar language that phases out hold-harmless funding (money that school districts receive despite the fact that they don’t qualify for it under the regular funding formulae) over an eight-year span is too long an extension of inequities that were created as far back as 1993. The argument that high wealth school districts need time to adjust ignores the fact they have already had 18 years to do so. These school districts need to live with funding levels that are more
comparable to the realities that the other 90 percent of their brethren have had to live with for a generation.

Exemptions from the Teacher Minimal Salary Schedule Have Caused Problems Before
Measures that allow for exemptions from the minimal salary schedule could take us back to a troublesome time when the few schools with more money were able to attract the most qualified teachers, while everyone else was left to make do. If teachers are expected to effectively teach all students, there is no justification for policies that allow some teachers to be paid less than others for the same work or that allow a few students to have consistently high quality teaching while others do not.

Keep Public Funding in Public Schools
Add to these challenges concerns about proposed amendments that would incorporate public funding for private schools in the form of vouchers – or the more ingenious new label “tax savings grants.” Diverting public money away from public schools would do nothing to address the current crisis and would create dual school systems a public under-funded public school system, and a separate elite system funded by a combination of state vouchers supplemented by additional funding provided by more affluent community members.

What is Needed is Long-Term Fixes Not Short-Term Bandaids
There also are discussions about using maneuvers to delay payments to schools in a way that simply carries over deficits into the next biennium. Granted such an action would spare schools from some cuts today, but it also would make it easier for the legislature to put off dealing with the fundamental structural flaws in the state revenue system that produced the current crisis. Texas has under-funded an inequitable finance its pubic schools for many years; it is time for more comprehensive solutions, that include elimination of target revenue funding, adjusting funding formulae to reflect actual costs of delivering instruction, including adjusting funding weights for special needs students who have never been funded on the basis of actual costs of services, and providing equalized funding for facilities for all districts who qualify on a need-based criteria.

The Time for Reform Is Now
It would be hard to argue against the idea that the adoption of both an equitable school funding plan and a related budget that requires more revenue than some are currently inclined to support may be more effectively addressed in a separate special session. The break would provide opportunities for competing views to be aired out in a more public and transparent forum. More importantly, it would give policymakers an opportunity to go back home and discuss the challenges with the parents and community members who will be so significantly impacted by these issues.

History has taught this state that major policy that is last minute and hastily strung together is often bad policy. Our children will be impacted not only in the next two years but most likely over the next six to eight years. They deserve more serious and focused attention.

IDRA Equity Principles
IDRA has developed a set of principles that can be used to assess any school funding plan that may be used by the Texas Legislative members and funding equity advocates to rate the equity potential of any plan that is considered. We urge members review the plans using these criteria as they frame their position on these critical issue.

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For more information see...
- IDRA’s previous statement: Don’t Repeat Past Wrongs in Texas Education – Insufficient Attention and Lack of Investment in Education Helped Put Texas Where it is
- IDRA’s policy brief: The Status of School Finance Equity in Texas – A 2009 Update
- Principles for Fair Funding for the Common Good
- Texas School Funding Equity Gap: It doesn't have to be this way (new infographic)

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We are a small organization with a powerful mission: to create schools that work for all children.