

## **Texas Must Uphold Maintenance of Equity in HB 3 Implementation and Keep Full Education Funding**

**IDRA Testimony on Interim Charge 2: Evaluate Ongoing Costs Associated with Implementation of HB 3 (86, R), Submitted by Dr. Chloe Latham Sikes to House Appropriations S/C Article III Committee, September 29, 2020**

Chairman Bonnen and Honorable Members of the House Appropriations Committee:

IDRA (Intercultural Development Research Association) is an independent, non-partisan, education non-profit committed to achieving equal educational opportunity for every child through strong public schools that prepare all students to access and succeed in college. Thank you for considering our testimony, including recommendations, on the implementation of House Bill 3, with a focus on bilingual education, early education, and sustaining financial resources for the public school system, particularly in light of COVID-19-related financial implications.

Overall, our testimony urges state policymakers to uphold the maintenance of equity in HB 3 implementation, meaning that the state continues to fulfill its commitments from HB 3 to fund an increased basic allotment and new student-based allotments.

### **Importance of Early Education for Young English Learners**

Young English learner students represent 28% of all Pre-K through 3<sup>rd</sup> grade students in Texas (TEA, 2020). Their educational success depends on quality instruction in their earliest years, including in early childhood and pre-kindergarten programs that adhere to strong state and federal standards and in high-quality bilingual education programs in early elementary school. Quality early bilingual education requires well-prepared and appropriately certified teachers, authentic school engagement with English learners' families in their home language, and sufficient instructional materials that offer grade-appropriate content in both a student's home language and English. Substantive formula funding for young English learners, including through the dual language and early education allotments, supports their quality education.

### **Dual Language Allotment and Bilingual Education**

Resources directed toward bilingual education must be sustained in the next biennium. HB 3 created the *dual language allotment* to provide additional funding to effective dual language immersion bilingual education programs through a 5% student weight. English learners enrolled in these programs generate 15% additional funding over the basic allotment (0.1 weight as English learners, 0.05 for dual language enrollment), and non-English learners enrolled in two-way dual language immersion programs generate 5%.

Data from the 2019-20 school year for English learners in all grades suggest an increase of 2 percent, or 6,040 English learner students, in dual language program enrollment over the previous

year (TEA, 2020). IDRA's preliminary school finance model runs indicate that the **new dual language allotment conferred \$210,514,060 to dual language programs** in 2019-20, with nearly \$199,587,443 generated by English learner students and nearly \$11 million by non-English learner students. Schools serving English learners in other types of language programs (including English as a second language and transitional bilingual education programs) received \$389 million through the basic English learner weight of 0.1.

Overall, the dual language allotment accounts for about 35% of the total bilingual education allotment, though only 25% of English learners in Texas are in dual language programs (see Craven, 2019). While state funding for those programs has clearly increased, it is important to remember that no language program in the state, including dual language, receives state formula funding at a level that is consistent with cost studies (Latham Sikes & Davies, 2019). **While the gains made toward quality bilingual education through HB 3 must be sustained in future state budgets, we must also continue to increase funding for all English learner students, regardless of language program participation.**

## Early Education Allotment

The *early education allotment*, created by HB 3, generates additional school funding for districts to direct toward improving kindergarten-third grade reading and math outcomes, and for expanding pre-kindergarten programs from half-day to full-day sessions for eligible 4-year old children. Students in grades K-3 who are designated as English learners and/or as low-income students generate the allotment funding through an additional 10% student weight, which resulted in **approximately \$784 million in early education funds** for 2019-20.

The early education allotment provides critical funding for the success of our youngest children. But some school districts are reporting that the funds they receive are not sufficient to cover the costs of providing full-day pre-K and other reading and math supports for young learners. Continued and expanded legislative support for state resources for early education are essential to establishing strong foundations for student learning – particularly during uncertain schooling environments related to COVID-19.

## Public School Financial Needs and COVID-19 Implications

Texas schools have barely begun to recover from the 2011 state cuts, and cannot afford to suffer additional funding shortages, particularly given the challenges of the COVID-19 pandemic (Marder & Villanueva, 2017). Despite the stimulus funds funneled to schools through the CARES Act, school districts continue to face financial challenges to address the digital divide through internet connectivity, devices, and training for school personnel and families (TEA & Dallas ISD, 2020); to provide sufficient personal protective equipment to students and staff; to hire appropriate mental and behavioral health professionals and social workers to address COVID-19-related trauma that students and teachers have experienced (Saxton, 2019); and to update their infrastructure for the health and safety of teachers and students.

## Recommendations

IDRA offers the following recommendations to support the state's maintenance of equity in the implementation of HB 3:

- Use the Rainy Day Fund to maintain the state's funding to public schools and the promises made in House Bill 3.
- Protect weighted student-based funding amounts and allowable spending uses in school finance formulas, particularly for students in early grades and vulnerable student populations, such as English learners, students with disabilities and students from low-income households. These weights should be increased based on updated cost studies that account for the needs of a diverse set of students and for COVID-19 and other new related costs.
- Encourage the federal government to approve and issue additional stimulus funds directed to sustaining education and social services funding and supplementing funds to address specific COVID-19 expenses.
- Identify and develop new revenue-generating mechanisms for state budgets, such as restoring the franchise tax to previous levels, exploring increased tax on retail services, updating tax rates on alcohol and cigarettes, and repealing the natural gas tax breaks (Lavine, 2020).

Additionally, several sources of revenue exist within the school finance formula to sustain state financial resources for the Foundation School Program. These include:

- Delaying the state property tax compressions of local M&O tax rates to the next biennium, for a savings of at least \$5 billion;
- Repealing restrictions to local property tax revenue growth imposed by SB 2 (2019); and
- Delaying the *teacher incentive allotment* to the next biennium or removing it from the formula before implementation in favor of comprehensive increases for teacher salary schedules, for a short-term savings of approximately \$140 million.

IDRA is available for any questions or further resources that we can provide. Thank you for your consideration. For more information, please contact Chloe Latham Sikes, Ph.D., IDRA Deputy Director of Policy, at [chloe.sikes@idra.org](mailto:chloe.sikes@idra.org).

### Additional Resources

Craven, M. (April 2019). Current Proposals for Texas' Investment in English Learners Still Not Enough, IDRA Newsletter. <https://www.idra.org/resource-center/current-proposals-for-texas-investment-in-english-learners-still-not-enough/>

Latham Sikes, C., & Davies, W. (2019). Building Equity in Bilingual Education School Finance Reform in Texas: Context and Importance of the Problem. Austin, Texas: Texas Center for Education Policy. <http://tcep.education.utexas.edu/wp-content/uploads/2019/11/Sikes-Davies-TCEP-Policy-Brief-4.22.19-FINAL.pdf>

Lavine, D. (2020). COVID-19 and the Economy: Options for Raising State Revenue in Texas. Austin, Texas: Every Texan. <https://everytexan.org/2020/05/14/covid-19-and-the-economy-options-for-raising-state-revenue-in-texas/>

Marder, M., & Villanueva, C. (2017). Consequences of the Texas Public School Funding Hole of 2011-16. Austin, Texas: Every Texan. [https://everytexan.org/images/EO\\_2017\\_09\\_SchoolFinance\\_ExecSum.pdf](https://everytexan.org/images/EO_2017_09_SchoolFinance_ExecSum.pdf)

Saxton, J. (April 3, 2019). Trauma-Informed Schools – How Texas Schools and Policymakers Can Improve Student Learning and Behavior by Understanding the Brain Science of Childhood Trauma. Austin, Texas: Texans Care for Children. <https://txchildren.org/posts/2019/4/3/trauma-informed-schools>

Texas Education Agency. (2020). Enrollment in Texas Public Schools 2019-20.  
[https://tea.texas.gov/sites/default/files/enroll\\_2019-20.pdf](https://tea.texas.gov/sites/default/files/enroll_2019-20.pdf)

Texas Education Agency & Dallas ISD. (2020). Operation Connectivity: Initial connectivity guidance for LEAs (SY 2020-2021), presentation. [https://tea.texas.gov/sites/default/files/covid/operation\\_connectivity\\_playbook.pdf](https://tea.texas.gov/sites/default/files/covid/operation_connectivity_playbook.pdf)