



Short-Term Tax Cuts Threaten Gains in Public School Funding

IDRA Public Comment against SB 1, submitted by Chloe Latham Sikes, Ph.D., to the Texas House Ways & Means Committee, September 30, 2021

Dear Chairman Meyer and Committee Members:

Texas students are in their third school year affected by the ongoing COVID-19 pandemic. Many schools have had to dip into their own reserves for the past year and a half to address the fiscal impact of the pandemic and how it led to restructured teaching and learning and demanded additional resources be directed toward students and families. Federal relief funds from the American Rescue Plan Act's ESSER III offers relief with one-time allocation to schools based on their Title I enrollment. It requires the state to uphold a maintenance of effort and maintenance of equity in state funding to schools. These payments are one-time and intended to provide supplemental funding for schools' needs. Schools still face inequitable funding challenges based on teacher shortages, technology demands, fluctuations in enrollment and attendance over the past year, periodic closures due to COVID-19 outbreaks, and other longstanding issues (see resources).

SB 1 would provide short-term and short-sighted tax cuts and create unsustainable state spending commitments.

SB 1 compromises the state's commitment to increased school funding from HB 3 (86R) by creating a \$2 to \$4 billion hole in state revenue now that will be difficult to roll back and fund in the next biennium. The federal ESSER III funds must be expended by September of 2024, and Texas public schools continue to experience increasing enrollment and funding needs. The state must be prepared to fund schools according to HB 3 (86R) and the additions made by HB 1525 (87R) and must continue to address instructional loss and mental health challenges presented by the pandemic that require sustainable multi-year approaches. Instead, SB 1 creates a multi-billion-dollar spending cliff for schools in the next biennium and threatens to take back the promises made by HB 3.

Additional state revenue now should be invested wisely to address the health and education needs of our Texas students, not provide short-sighted and unsustainable tax cuts. Please vote against SB 1.

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.

Resources

IDRA. (2021). Ensuring Fair School Funding for All Students, website.
https://www.idra.org/education_policy/ensuring-fair-school-funding-for-all-students/.

IDRA (2016). Principles for Fair Funding for the Common Good. San Antonio: IDRA.

https://www.idra.org/education_policy/fair-funding-common-good/principles-fair-funding-common-good/

IDRA is an independent, non-profit organization led by Celina Moreno, J.D. Our mission is to achieve equal educational opportunity for every child through strong public schools that prepare all students to access and succeed in college. IDRA strengthens and transforms public education by providing dynamic training; useful research, evaluation, and frameworks for action; timely policy analyses; and innovative materials and programs.