

Texas slashes public school budget: Cutting through the rhetoric and confusion

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(Written in partnership with Friends of Texas Public Schools)

The 82nd Legislative Session ended over 3 months ago, yet many are still attempting to understand what happened. On one side, school groups are planning lawsuits to challenge the funding system, which includes a \$5.4 billion cut to state funding of our public schools, while on the other side there are those saying the state actually increased public education funding. So, which is the truth?

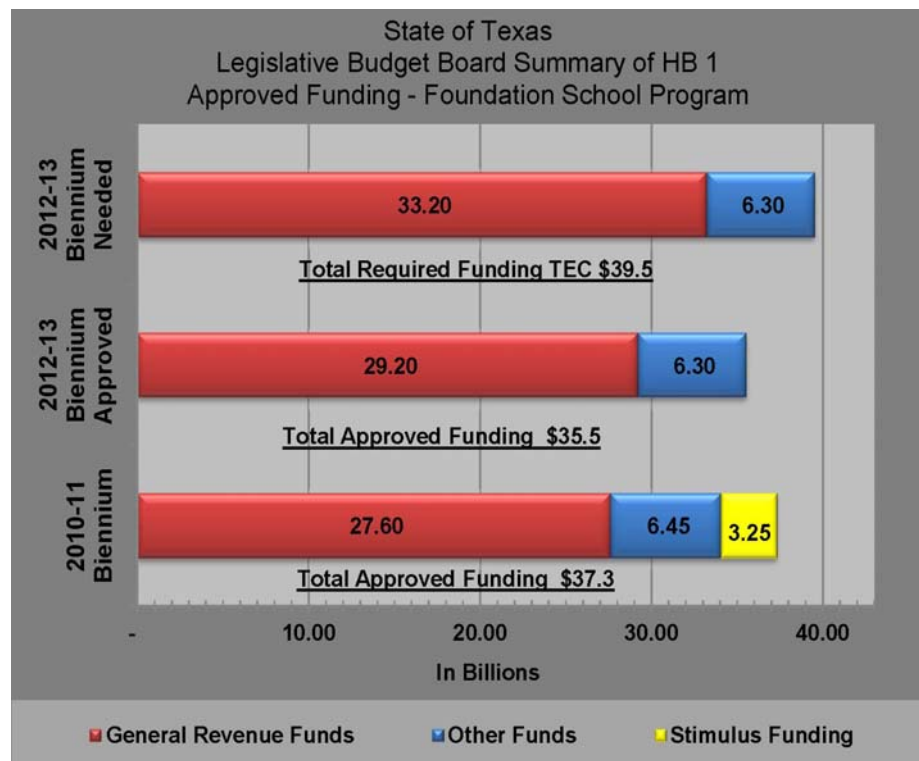
The reality is that the 82nd Texas Legislature will long be remembered as the first Texas Legislature to lower funding for public education in more than 60 years. To understand what happened we must compare both the legislative appropriations and the school finance funding formula in the 81st and 82nd legislative sessions. *The source of the financial information used in this article is from the Legislative Budget Board – Summary of Conference Committee Report on House Bill, as well as discussions with Joe Wynoski at Moak, Casey, and Associates.*

First, let's consider the \$4 billion dollar (5.6%) drop in public education funding that everyone has heard about. The reality is the 82nd Legislature changed the school finance formulas contained in the Texas Education Code passed by the 81st Legislature, which resulted in the \$4 billion funding reduction. In other words, if the structure by which public schools were funded in school years 2009-10 and 2010-11 was used in this biennium (school years 2011-12 and 2012-13), public education would have received an estimated **\$4 billion** (\$39.5 billion to \$35.5 billion) more in funding as shown in figure 1.

Now, let's compare the actual dollar amounts funded in school years 2009-10 and 2010-11 to the dollar amounts the legislature has approved for the 2011-12 and 2012-13 school years. If we consider overall funding as shown in figure 1, schools will receive approximately **\$1.8 billion less** (\$35.5 billion to \$37.3 billion) over the biennium (2011-12 and 2012-13). However, an additional \$2.3 billion in August 2013 payments to public schools has been pushed to the next biennium. Though the Summary of Conference Committee Report states that the August 2013 payment has not been reduced but rather delayed a few days into fiscal year 2014, the August 2013 payment will have to be approved by the 83rd Legislature before any school district will receive its share of this \$2.3 billion. Will this resurface as another Rainy Day Fund political fight?

Even though it can easily be seen in figure 1 that the legislature cut school funding by **\$1.8 billion** (\$37.3 billion to \$35.5 billion), claims have been made that the legislature actually increased funding due to the \$1.6 billion (\$29.20 billion to \$27.60 billion) increase it made in general fund revenues allocated by the legislature this biennium, which is fuzzy

math at best. What those making this claim fail to understand is the \$3.25 billion in 2009 one-time federal stimulus money that was supposed to go directly to public school districts, as it did in many other states, was hijacked by the 81st Legislature to plug the state revenue shortfall that existed in 2009, which prevented state



cuts to public education at that time. There was a legislative promise that they would bridge that \$3.25 billion shortfall with state dollars in the next session (since the federal stimulus was one-time money) so that public school districts would not receive less funding in 2011.

The \$1.6 billion in additional funding that some are touting as a funding increase actually represents less than half of the dollars promised by state leaders to replace the stimulus funding. Interestingly, the 81st Legislature mandated that school districts spend a significant portion of that one-time federal stimulus funding on teacher salary increases. This mandate resulted in a recurring school expenditure which should not have been funded by a one-time revenue source, as it cannot be sustained over time.

Table 1

We must also consider the additional public education funding cuts that were made outside of the Foundation School Program, which total more than **\$1.4 billion**. The cuts shown in table 1 are from specialized programs such as the Pre-Kindergarten Early Start Grant Program and the Technology Allotment. Many of these programmatic cuts affected school districts differently based on factors such as district wealth and student need. The specialized programs which were eliminated or reduced were all enacted by previous legislative sessions.

The state of Texas cut public school funding by **\$1.8 billion** when compared to the previous biennium. Public education would have received an additional **\$2.2 billion** (\$39.5 billion to \$37.3 billion) in funding if the 82nd

Legislature had not tinkered with the school finance formulas contained in the Texas Education Code. These two state funding losses add up to a **\$4 billion** cut to Texas public schools. When we add the specific program cuts totaling **\$1.4 billion** noted in table 1, our Texas public schools have absorbed more than **\$5.4 billion** in state funding cuts.

The **\$5.4 billion loss** in funding does not take into consideration the state mandated, costly, and unfunded implementation of significantly higher academic standards during this biennium, nor does it account for enrollment growth, which averages roughly 80,000 students annually. In my opinion, public school funding has evolved into more of an issue of political ideology than one of preparing our children for their future and planning for a strong state educational system.

Providing an equitable and adequate investment in public education is an investment in a strong economic future for Texas. Do we, as a state, have a long-term plan? Or, do we have a leadership that lives

State of Texas	
Other Public Education Program Eliminations and Reductions	
	In Millions
Programs Eliminated	
Pre-Kindergarten Grant Program	\$ 223.3
Technology Allotment	271.0
Science Lab Grants	35.0
New Instructional Facilities Allotment	26.0
Middle School PE Grant	20.0
Optional Extended Year Program	14.1
School Bus Seat Belt Program	10.0
Total Program Eliminations	599.4
Program Funding Reduced	
Proclamation 2011 - Instructional Materials	300.0
Teacher Excellence Award	40.0
Student Success Initiative	23.5
Communities in Schools	20.0
Juvenile Justice Programs	17.0
Texas AP Incentives	13.8
Virtual Schools Network	8.0
Online College Prep	4.0
Teach for America	8.0
Academic Competitions	1.4
Regional Service Centers	25.0
Other Programs	154.8
Total Reductions	615.5
Other Reductions/Eliminations	188.3
Total HB 1 Other Public Education Program Reductions	\$ 1,403.2

by the political winds of re-election? As an educator and native Texan, my hope is that common sense will prevail and the State of Texas will equitably and adequately invest in our children's future.