



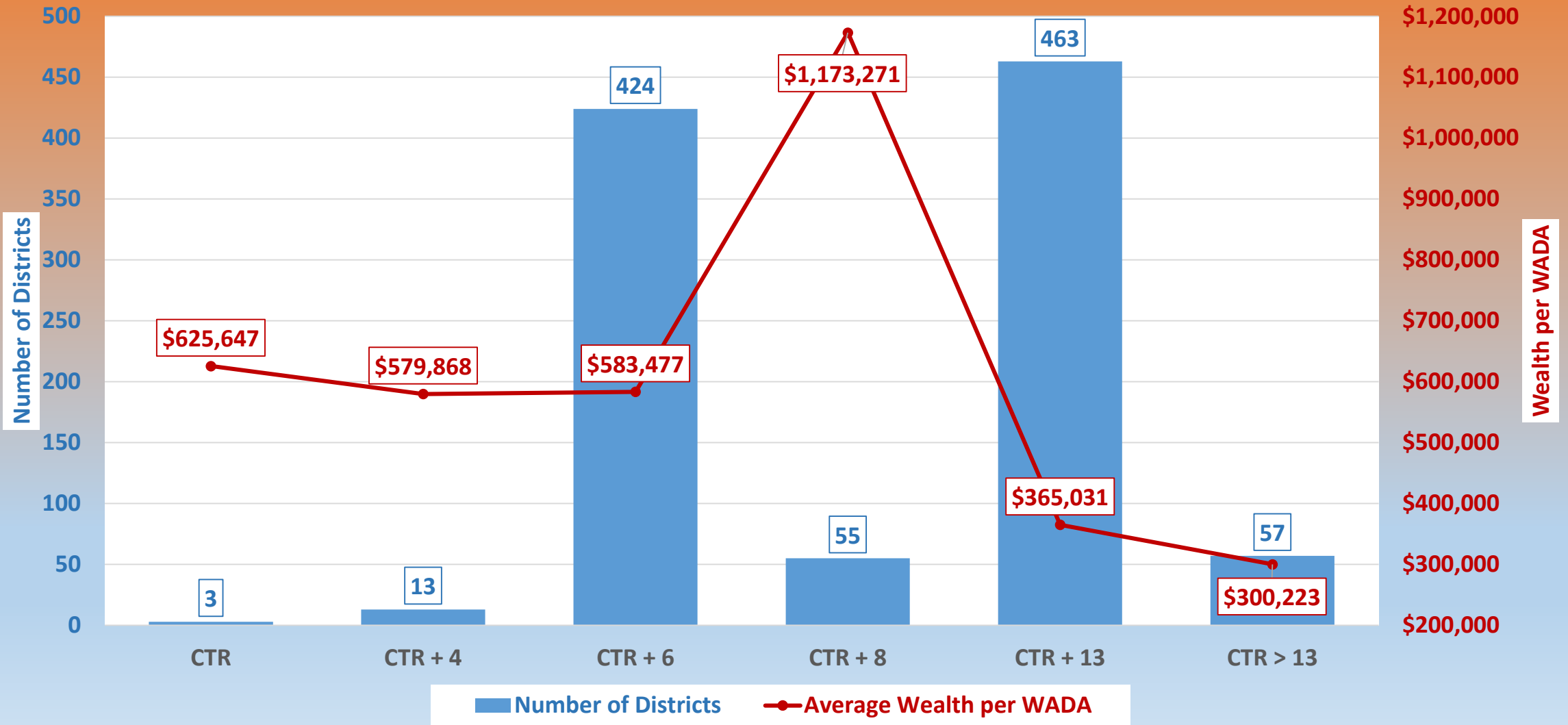
Equity Center

Students Matter. Taxpayers Matter. Equity Matters.

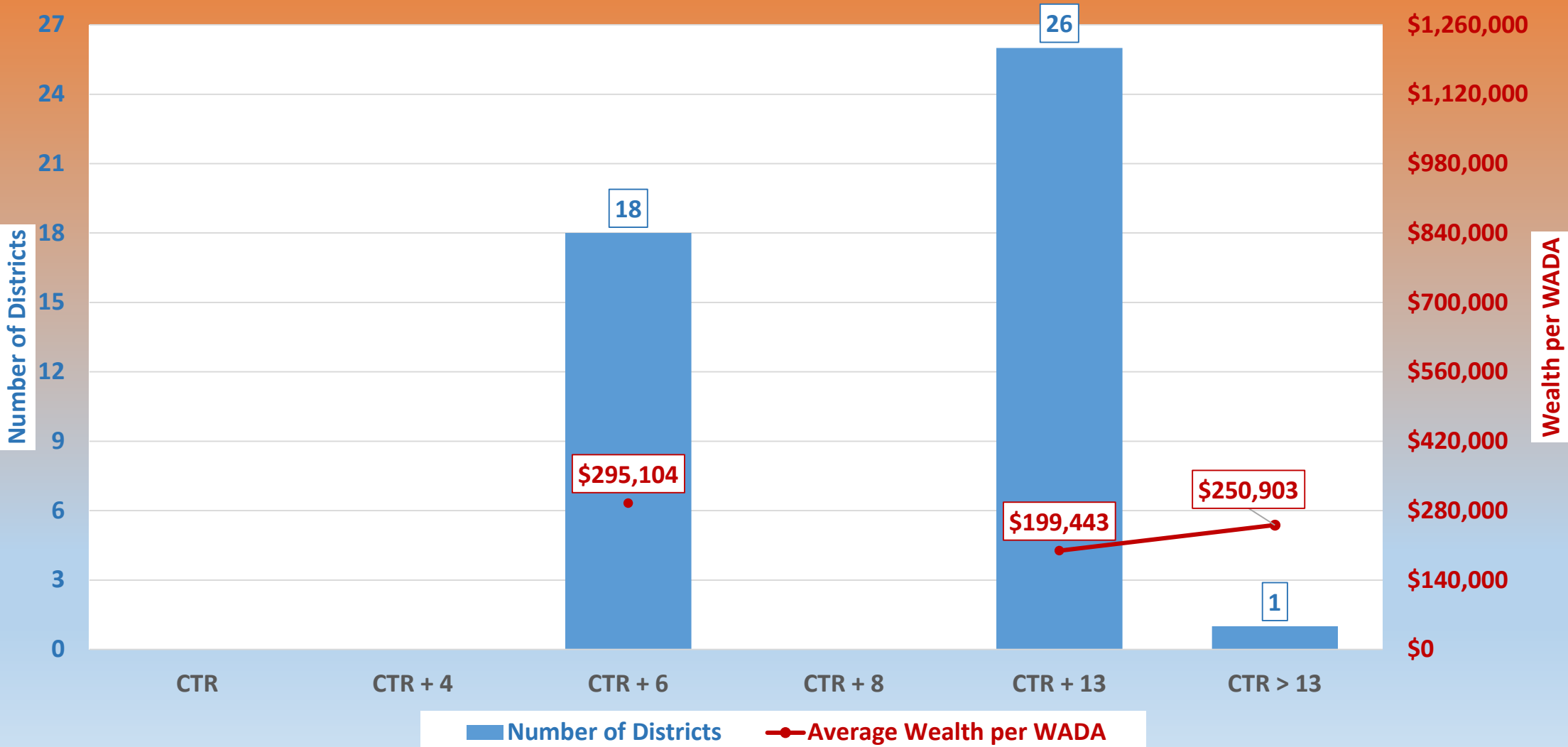


**Region 8
Presentation
6/14/22**

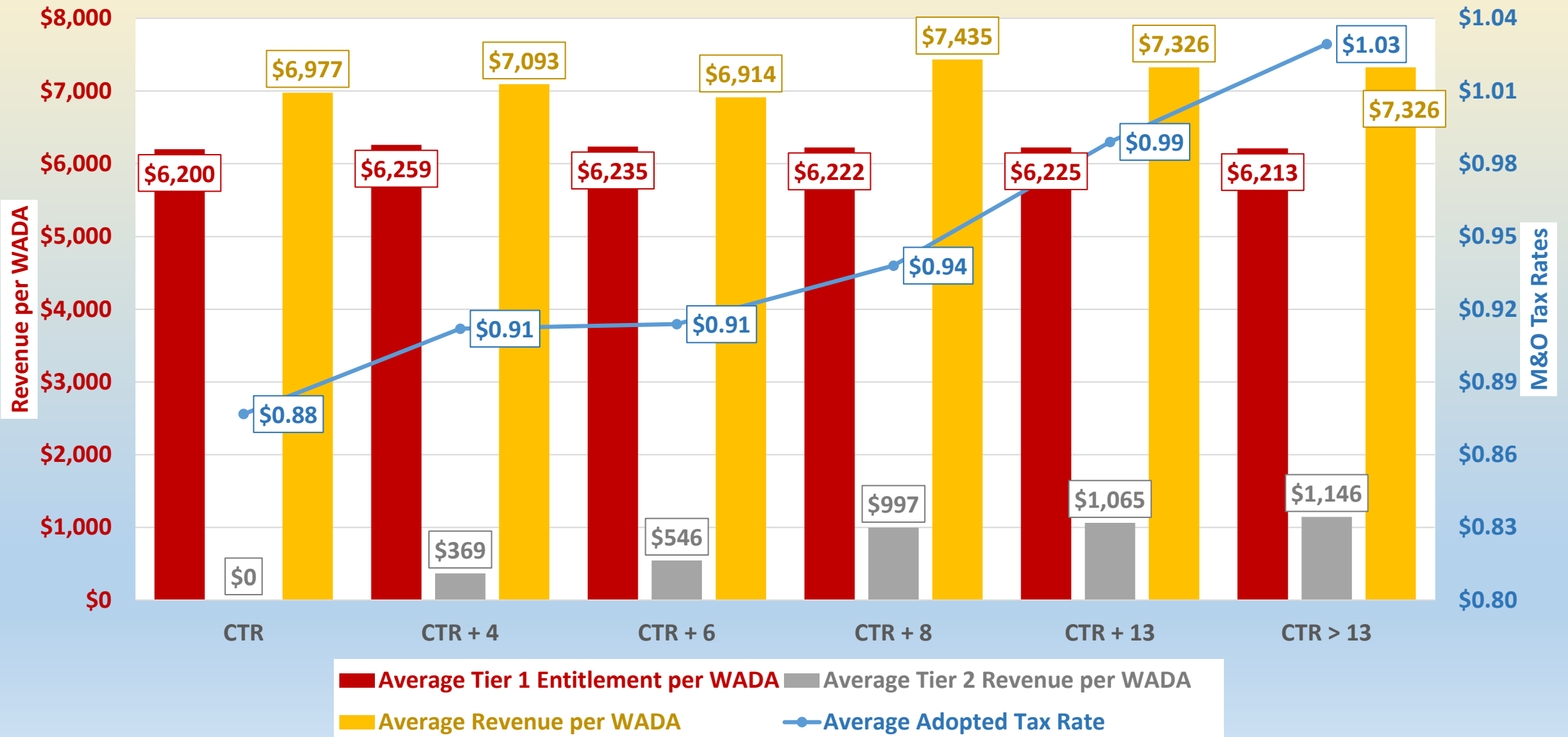
FY 22 School Districts by Tax Rates & Wealth per WADA



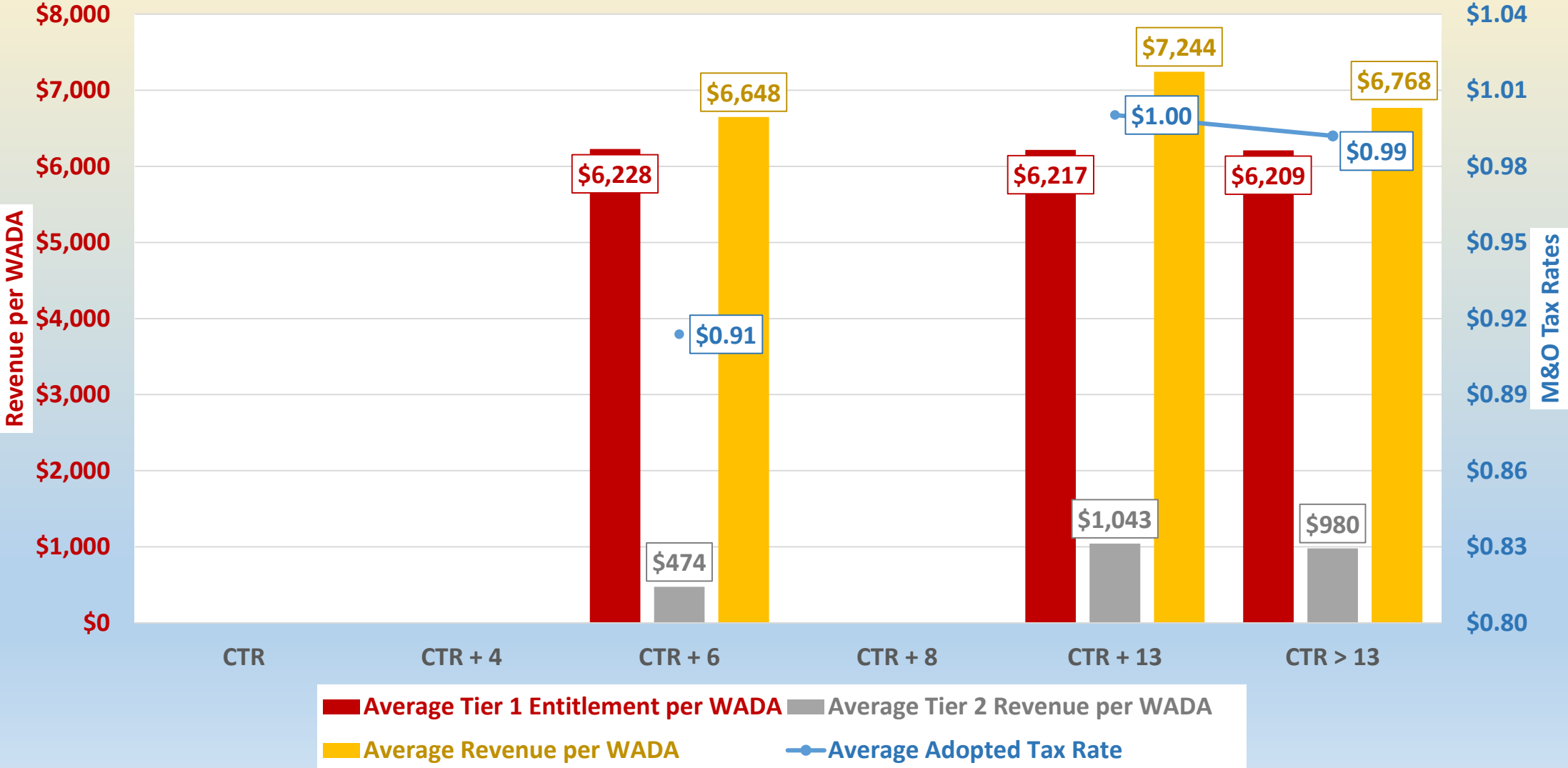
ESC 8 FY 22 School Districts by Tax Rates & Wealth per WADA



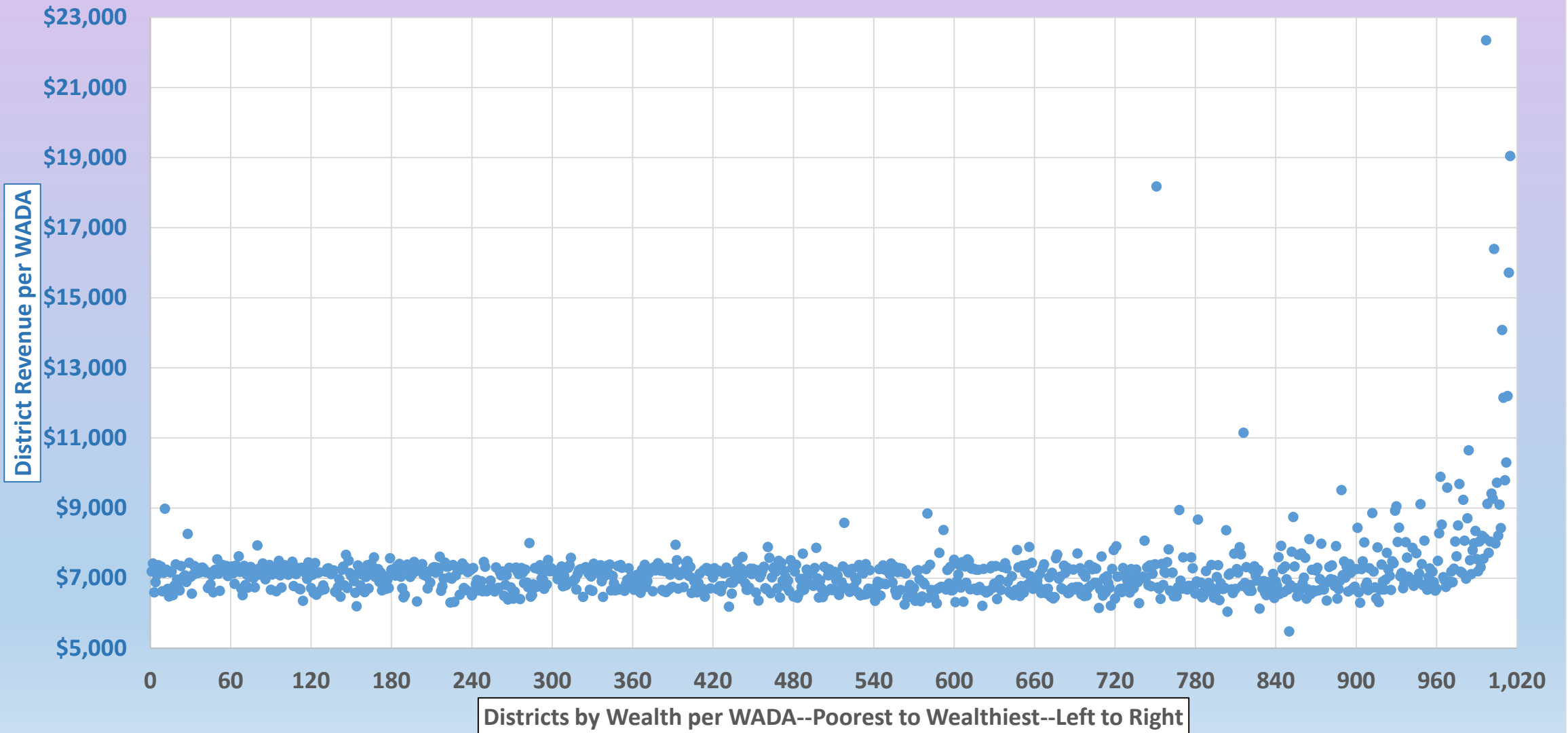
FY 22 School Districts Revenues per WADA by M&O Tax Rate



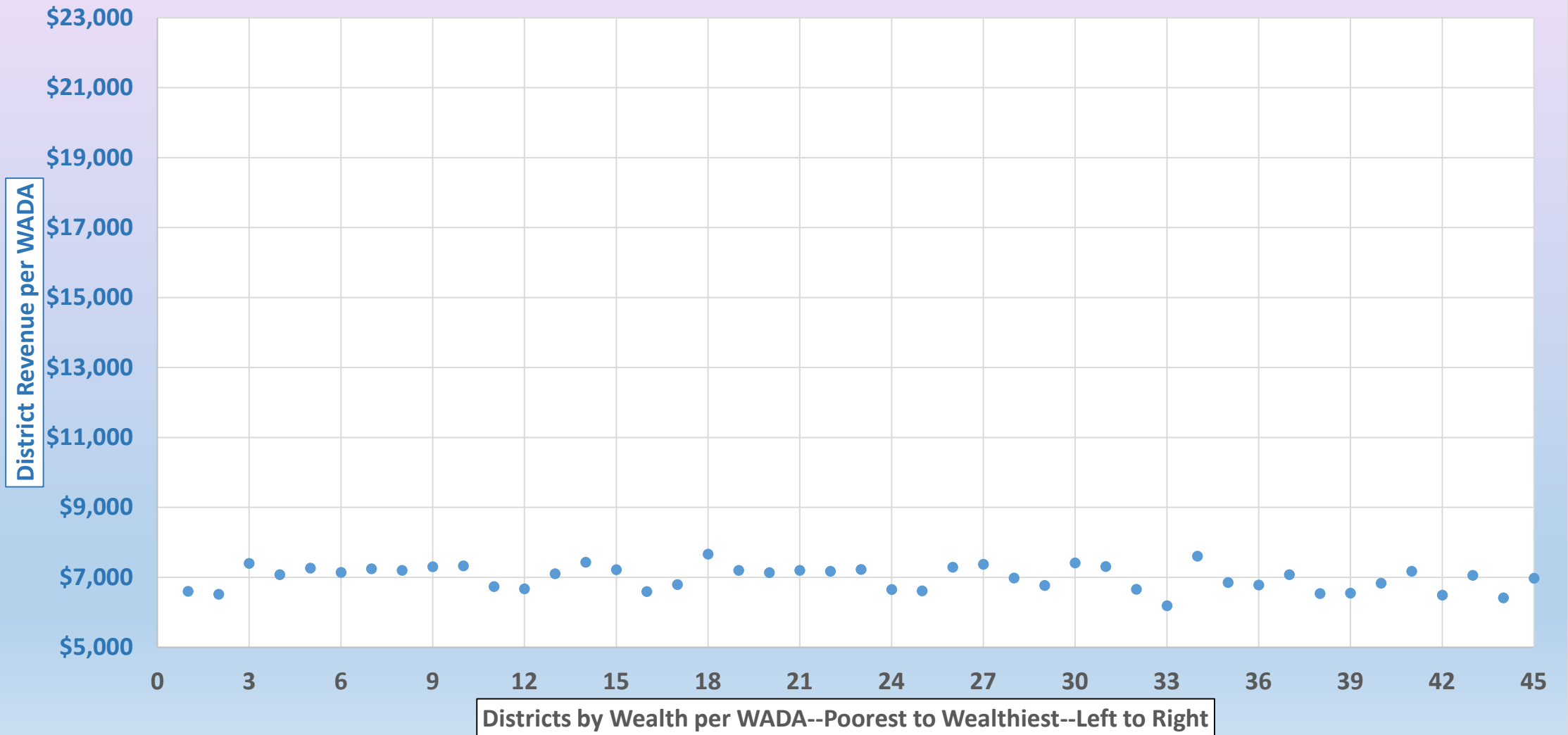
ESC 8 FY 22 School Districts Revenues per WADA by M&O Tax Rate



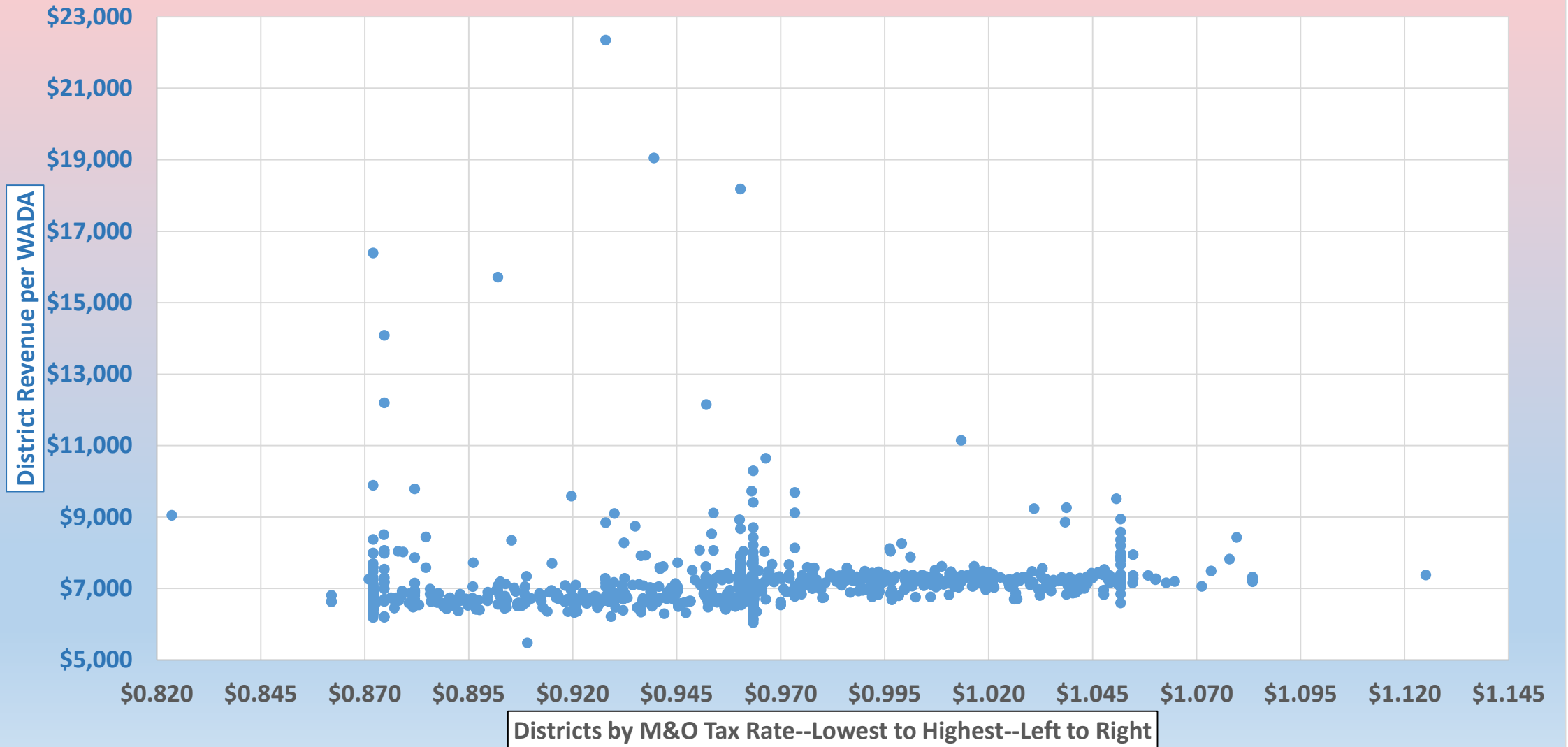
FY 22 Revenue per WADA--Sorted by Wealth per WADA



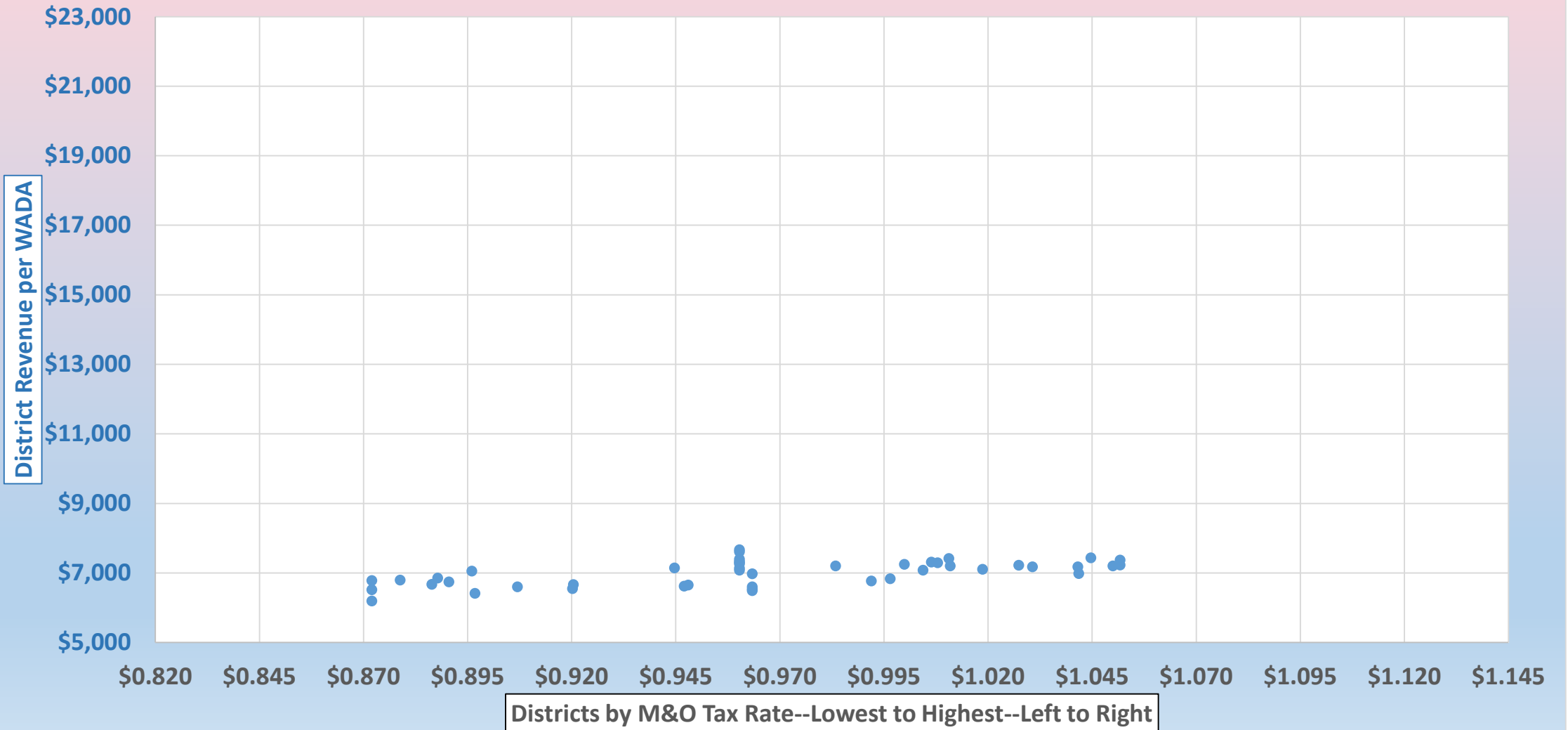
ESC 8 FY 22 Revenue per WADA--Sorted by Wealth per WADA



FY 22 Revenue per WADA--Sorted by M&O Tax Rate



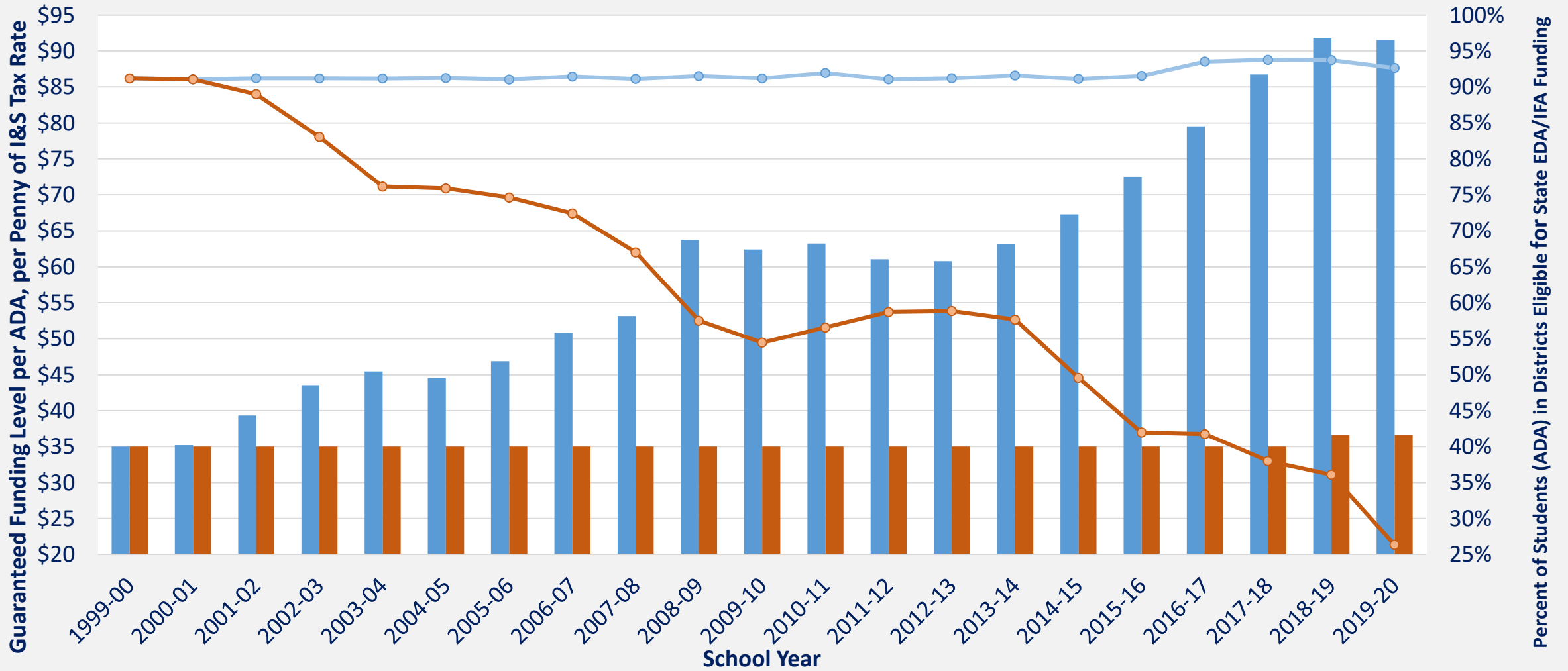
ESC 8 FY 22 Revenue per WADA--Sorted by M&O Tax Rate



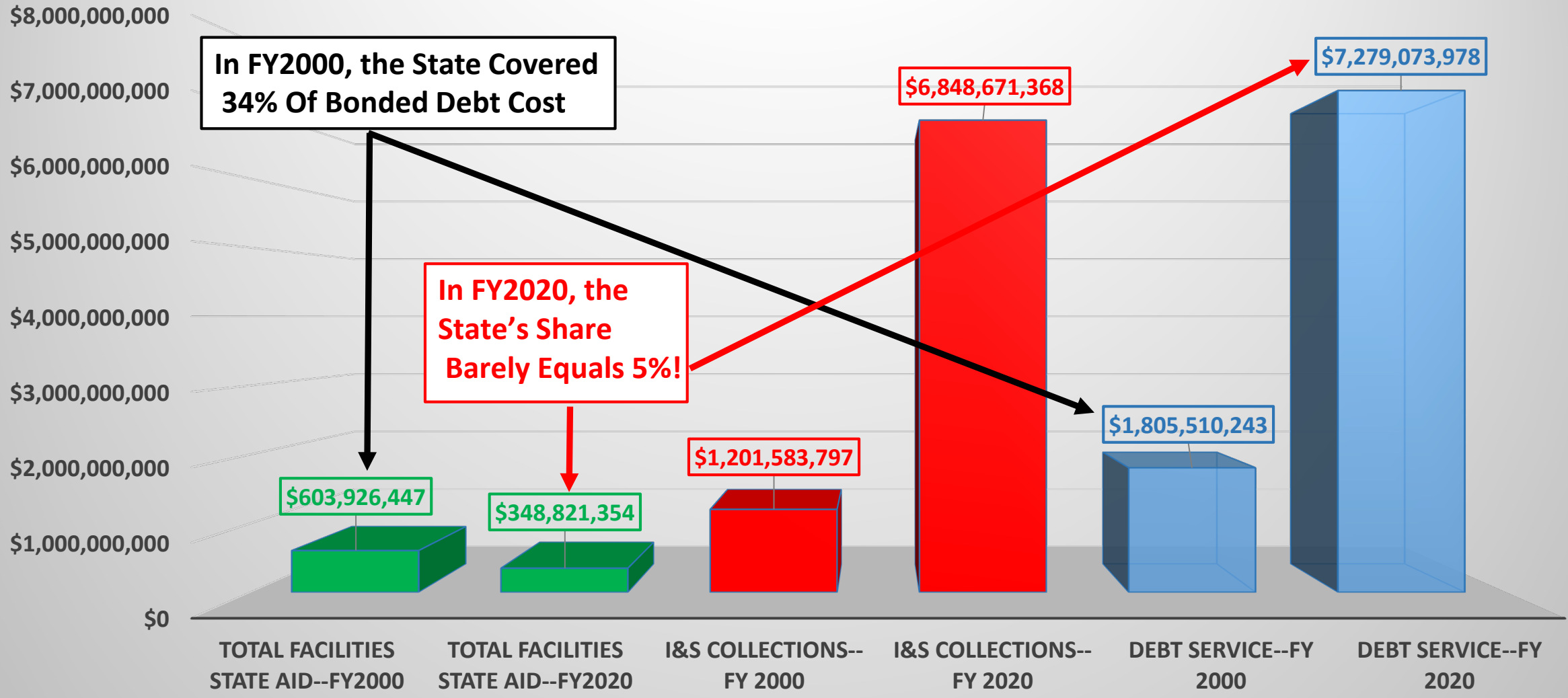
Comparison of EDA/IFA Funding Levels and Percent of ADA in Eligible Districts

Statutorily Frozen at a \$35 Guaranteed Level vs. Original Equity Level Maintained

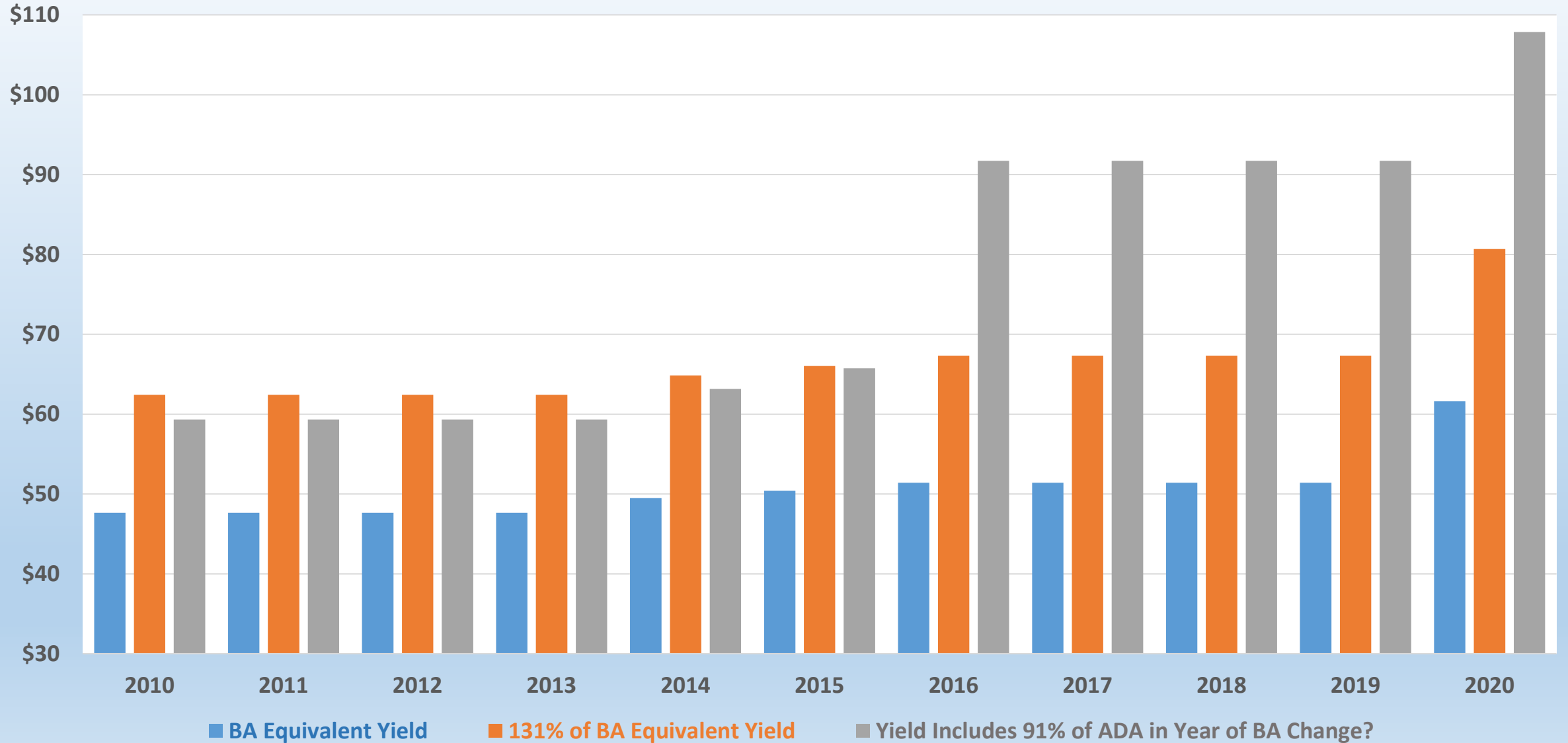
- Guaranteed Level to Maintain Original Equity
- \$35 Statutory Guaranteed Level
- % of ADA Eligible for State Funds (Original Equity)
- % of ADA Currently Eligible for State Funding



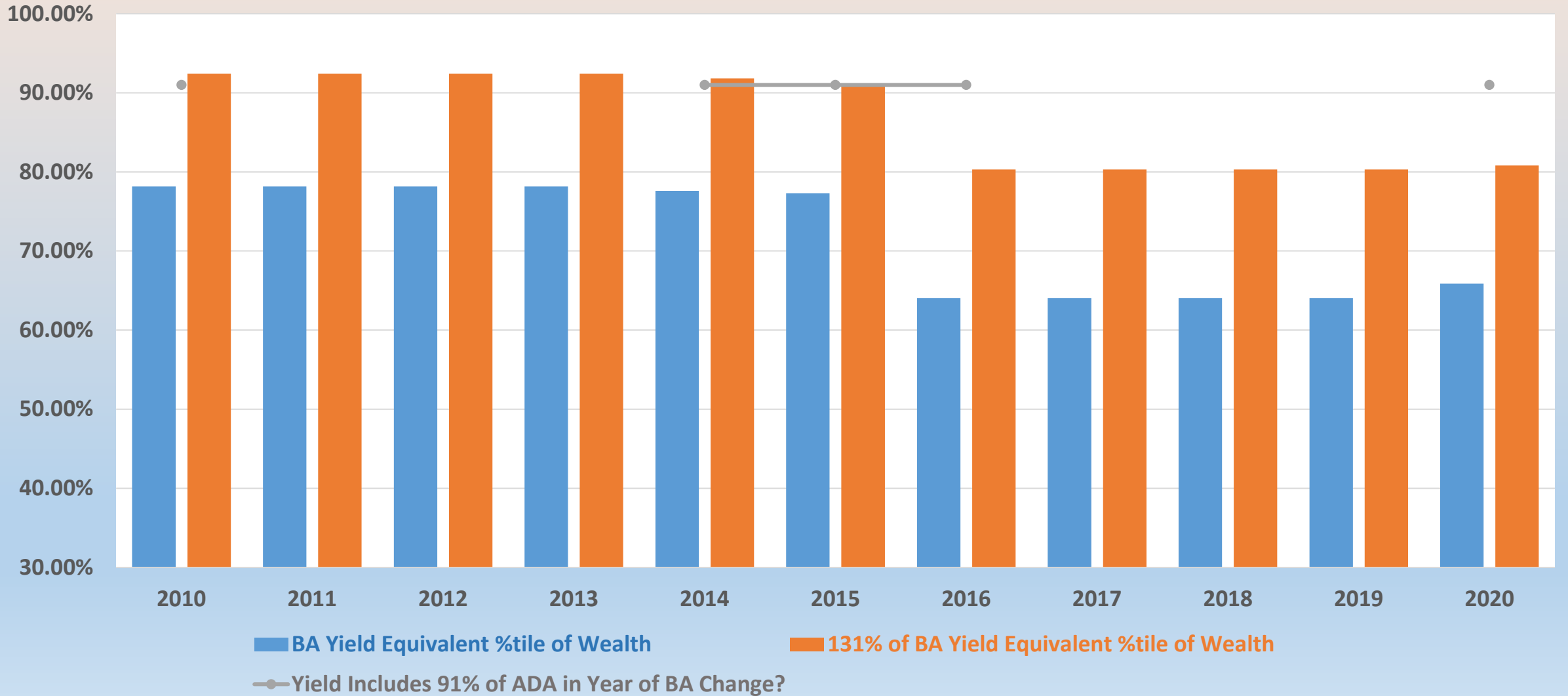
State & Local I&S Comparative Expenditures FY2000 & FY2020



Comparative IFA/EDA Yields per Penny of Tax Effort



Percentage of Students in Districts Eligible for State Assistance for IFA/EDA at Stated Levels

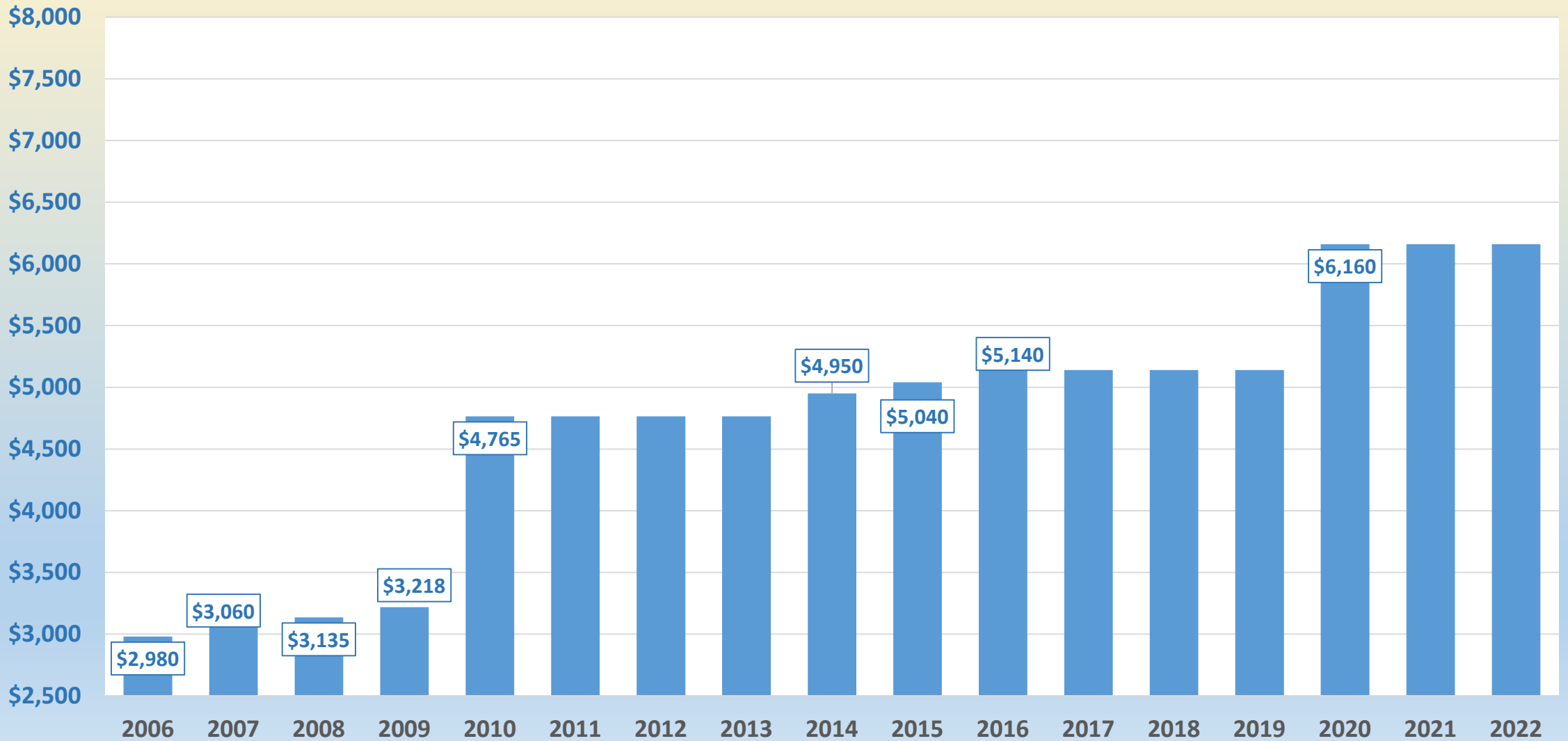


Comparative Table for New Investment In Facilities Funding (I&S)

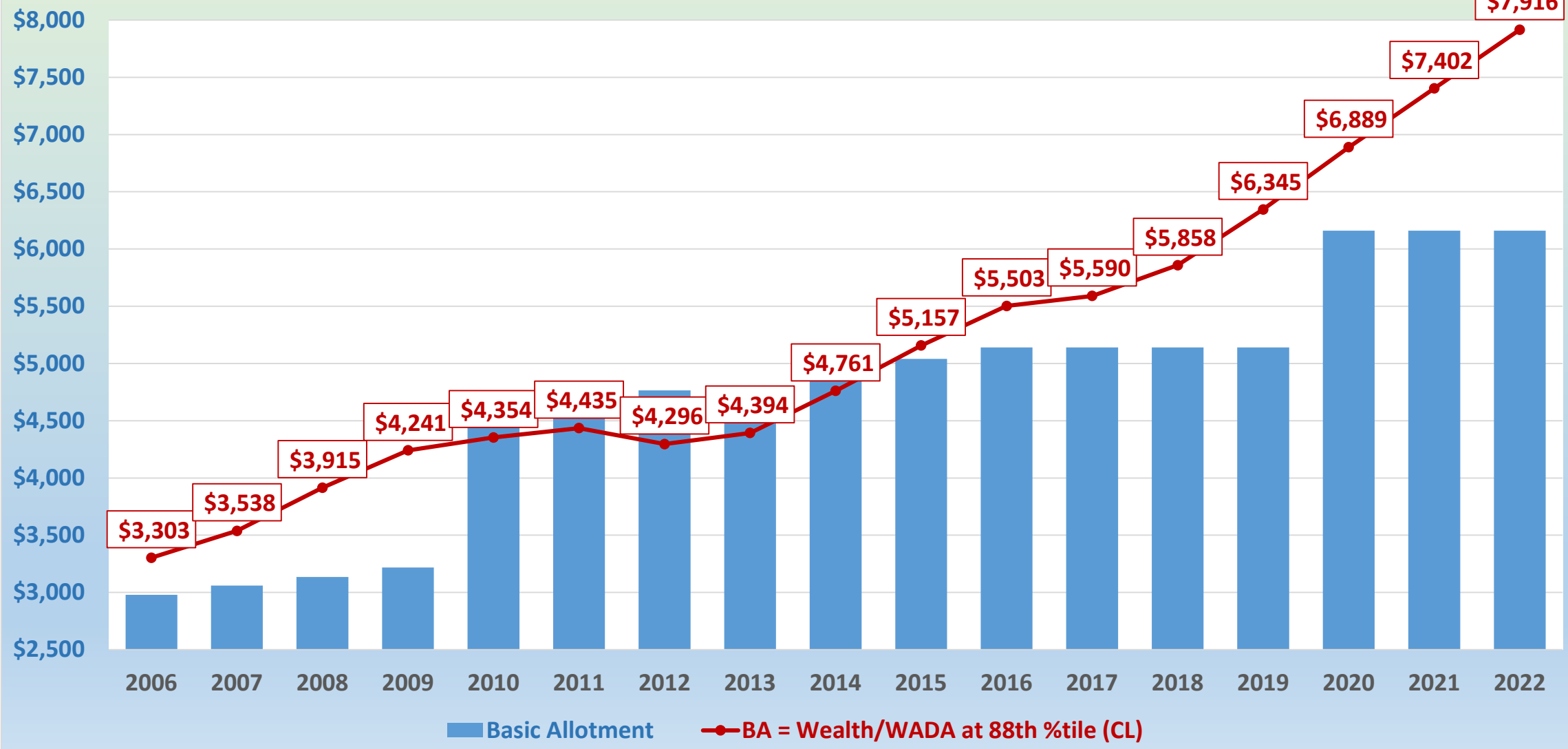
	Current Law	Yield Equal BA	Yield Equal 130% of BA	Yield Maintain 91 st Percentile
Local Share	\$6,762,604,136	\$6,390,951,241	\$5,763,315,363	\$5,298,171,575
State Share	\$289,753,316	\$661,406,211	\$1,289,042,089	\$1,754,185,877
New State Funding		\$371,652,895	\$999,288,773	\$1,464,432,561
Calculated I&S Tax Rate Reduction		\$0.0602	\$0.0928	\$0.1082

Calculations based on FY 20 TEA data

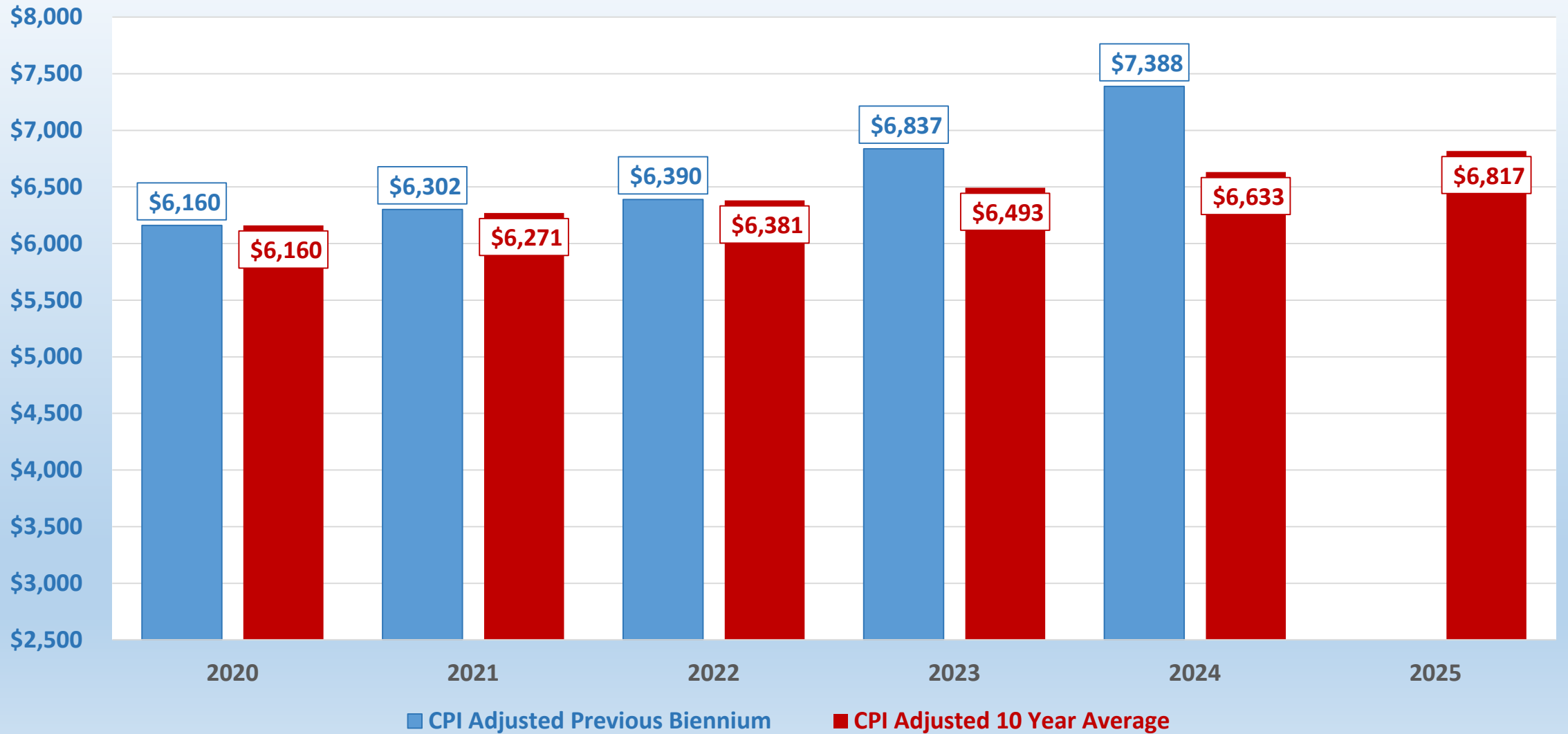
Basic Allotments--2006 through 2022



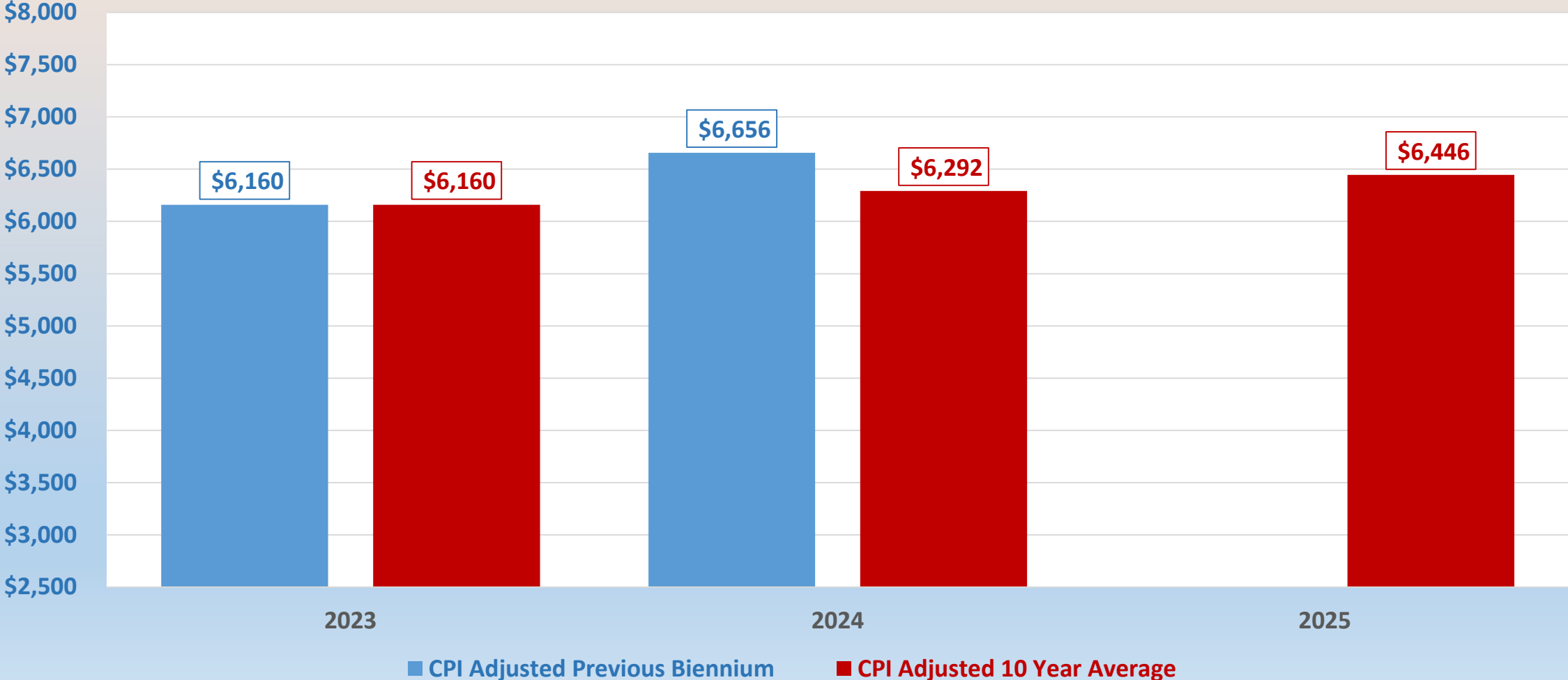
Basic Allotments--Actual & 88th Percentile Adjustment (Current Year Values)



Basic Allotment with Adjustment Factor--Consumer Price Index (CPI)



Basic Allotment with Adjustment Factor--Consumer Price Index (CPI)--2024 & 2025



Funding on ADA or Enrollment ?

- **There is an old saying**
 - “Never Look a Gift Horse in the Mouth!”
- **Just Because it is an Old Saying, that Doesn’t Mean it is Always True!**
- **And the Same Goes for Ideas You May Hear About School Finance**
 - **Our School Finance System is Complicated**
 - **That Means Just Because Something Sounds Good...**
 - **Better to Examine the Full Impact—Then Decide**

FY 22 School District Current Law ADA to Enrollment Comparisons

	Total Revenue	Revenue Increase/Decrease	Districts Gaining	Districts Losing	Districts No Change	% Increase/Decrease from Current Law Revenue
BA 6,160—Current Law	\$45.64 Billion					
BA 6,160—Enrollment*	\$48.39 Billion	\$2.75 Billion	916	60	39	6.02%
BA 5,710—Enrollment**	\$45.48 Billion	-\$156 Million	340	568	107	-0.34%
BA 6,567—Current Law***	\$48.53 Billion	\$2.89 Billion	980	1	34	6.33%
BA 6,567—BA 6,160 Enrollment****		\$142 Million	593	390	32	0.31%

*Maintain BA of 6,160 as in Current Law and fund on Enrollment.

**Fund on Enrollment without any new funding which reduces the BA to 5,710.

***Using the same amount of new funding required for model*, Raise the BA to 6,567 and fund on ADA as per Current Law.

****Compares District level funding in model*** with district level funding in model*.

FY 22 Change from ADA to Enrollment—School District to Charter School Comparisons

	Total Revenue— School Districts	Total Revenue— Charter Schools	School District's Revenue Gain/Loss	Charter School's Revenue Gain/Loss	School District's % of Change	Charter School's % of Change
BA 6,160—Current Law	\$45.64 Billion	\$3.78 Billion				
BA 6,160—Enrollment*	\$48.39 Billion	\$4.09 Billion	\$2.75 Billion	\$318 Million	6.02%	8.42%
BA 5,710—Enrollment**	\$45.48 Billion	\$3.94 Billion	-\$156 Million	\$163 Million	-0.34%	4.33%
BA 6,567—Current Law***	\$48.53 Billion	\$3.98 Billion	\$2.89 Billion	\$202 Million	6.33%	5.34%
BA 6,567—BA 6,160 Enrollment****			\$142 Million	-\$116 Million	0.31%	-0.31%

*Maintain BA of 6,160 as in Current Law and fund on Enrollment.

**Fund on Enrollment without any new funding which reduces the BA to 5,710.

***Using the same amount of new funding required for model*, Raise the BA to 6,567 and fund on ADA as per Current Law.

****Compares District level funding in model*** with district level funding in model*.

FY 22 Funding Changes Comparing Enrollment to ADA

	Increased/ Decreased Funding		
	Funding by Enrollment--BA \$6,160	Funding by Enrollment--BA \$5,710	Funding by Current Law ADA--BA \$6,618
Houston ISD	140,620,739	9,195,476	126,858,886
Dallas ISD	114,145,774	12,589,302	98,477,789
Austin ISD	64,519,845	18,755,107	42,444,801
Fort Worth ISD	58,156,463	6,070,731	50,607,681
El Paso ISD	38,589,779	5,403,275	32,046,912
Northside ISD	60,520,556	(816,156)	59,116,244
North East ISD	33,507,617	(3,545,281)	36,024,027
College Station ISD	5,769,434	(1,742,355)	7,314,744
Frisco ISD	21,787,499	(12,848,122)	34,066,531
Mesquite ISD	19,202,206	(6,214,362)	25,091,104
Humble ISD	24,832,386	(3,010,876)	27,139,339
Katy ISD	35,930,110	(17,529,056)	52,724,754
Ysleta ISD	21,278,112	(4,258,192)	25,170,654

FY 22 ESC 8 Funding Changes Comparing Enrollment to ADA				FY 22 ESC 8 Funding Changes Comparing Enrollment to ADA			
	Increased/ Decreased Funding				Increased/ Decreased Funding		
	Funding by Enrollment--BA \$6,160	Funding by Enrollment--BA \$5,710	Funding by Current Law ADA--BA \$6,618		Funding by Enrollment--BA \$6,160	Funding by Enrollment--BA \$5,710	Funding by Current Law ADA--BA \$6,618
ATLANTA ISD	\$1,375,026	\$159,440	\$1,175,493	HOOKS ISD	\$514,619	(\$124,736)	\$628,630
AVERY ISD	\$371,268	\$79,134	\$278,307	HUBBARD ISD	\$297	(\$70,362)	\$72,585
AVINGER ISD	(\$77,543)	(\$197,904)	\$129,622	HUGHES SPRINGS ISD	\$549,808	(\$239,106)	\$780,340
BLOOMBURG ISD	\$278,560	\$69,851	\$198,646	JEFFERSON ISD	\$753,147	(\$110,064)	\$842,602
CHAPEL HILL ISD	\$540,311	(\$168,546)	\$696,384	LEARY ISD	\$190,203	\$88,881	\$91,711
CHISUM ISD	\$369,396	(\$254,692)	\$651,552	LIBERTY-EYLAU ISD	\$2,070,801	\$552,613	\$1,449,201
CLARKSVILLE ISD	\$187,717	(\$251,468)	\$444,757	LINDEN-KILDARE CISD	\$564,914	\$55,684	\$491,307
COMO-PICKTON CISD	\$519,823	(\$44,000)	\$546,971	MALTA ISD	\$375,893	\$196,687	\$158,039
COOPER ISD	\$540,431	(\$68,855)	\$597,640	MAUD ISD	\$413,731	\$41,858	\$358,824
CUMBY ISD	\$339,569	(\$19,321)	\$349,026	MCLEOD ISD	\$341,714	\$16,381	\$311,514
DAINGERFIELD-LONE STAR ISD	\$602,734	(\$218,208)	\$809,549	MILLER GROVE ISD	\$468,819	\$218,022	\$228,899
DEKALB ISD	\$681,839	\$110,552	\$549,988	MOUNT PLEASANT ISD	\$2,953,613	(\$493,852)	\$3,378,654
DETROIT ISD	\$522,612	\$102,009	\$401,803	MOUNT VERNON ISD	\$446,755	(\$454,932)	\$956,799
FANNINDEL ISD	(\$57,157)	(\$202,195)	\$153,981	NEW BOSTON ISD	\$700,149	(\$224,124)	\$914,100
HARTS BLUFF ISD	\$275,523	(\$321,654)	\$597,995	NORTH HOPKINS ISD	\$553,238	\$146,449	\$386,003

FY 22 ESC 8 Funding Changes Comparing Enrollment to ADA			
	Increased/Decreased Funding		
	Funding by Enrollment--BA \$6,160	Funding by Enrollment--BA \$5,710	Funding by Current Law ADA--BA \$6,618
NORTH LAMAR ISD	\$1,408,748	(\$70,459)	\$1,431,508
PARIS ISD	\$2,448,175	(\$19,426)	\$2,582,866
PEWITT CISD	\$535,718	(\$167,715)	\$690,396
PITTSBURG ISD	\$1,319,748	(\$290,150)	\$1,579,984
PLEASANT GROVE ISD	\$1,108,149	(\$160,639)	\$1,233,916
PRAIRILAND ISD	\$452,817	(\$271,966)	\$715,997
QUEEN CITY ISD	\$683,272	\$5,663	\$659,181
RED LICK ISD	\$151,083	(\$200,905)	\$348,871
REDWATER ISD	\$488,231	(\$253,338)	\$734,814
RIVERCREST ISD	\$489,816	(\$39,168)	\$516,744
SALTILLO ISD	\$165,696	(\$35,138)	\$195,606
SIMMS ISD	\$379,688	\$34,603	\$332,940
SULPHUR BLUFF ISD	\$229,696	\$67,745	\$152,213
SULPHUR SPRINGS ISD	\$2,104,027	(\$592,358)	\$2,646,204
TEXARKANA ISD	\$5,775,169	\$1,224,998	\$4,375,882

Gearing Up for the 2023 Regular Session

What Goals Still Need to be Met to Achieve an Equitable and Adequate Funding System?

- **We Need to Fix I&S/Facilities Funding**
- **We Need a Cost Adjustment (Driver) for the Basic Allotment**
- **We Need to Address These Additional Equity and Adequacy Issues:**
 - **Local Fund Assignment as Opposed to Current Year Collections**
 - **Unequal CTRs**
 - **Full Tier 1 Entitlement for Some but not for All/LOHE Funding**

Gearing Up for the 2023 Regular Session

What Goals Still Need to be Met to Achieve an Equitable and Adequate Funding System?

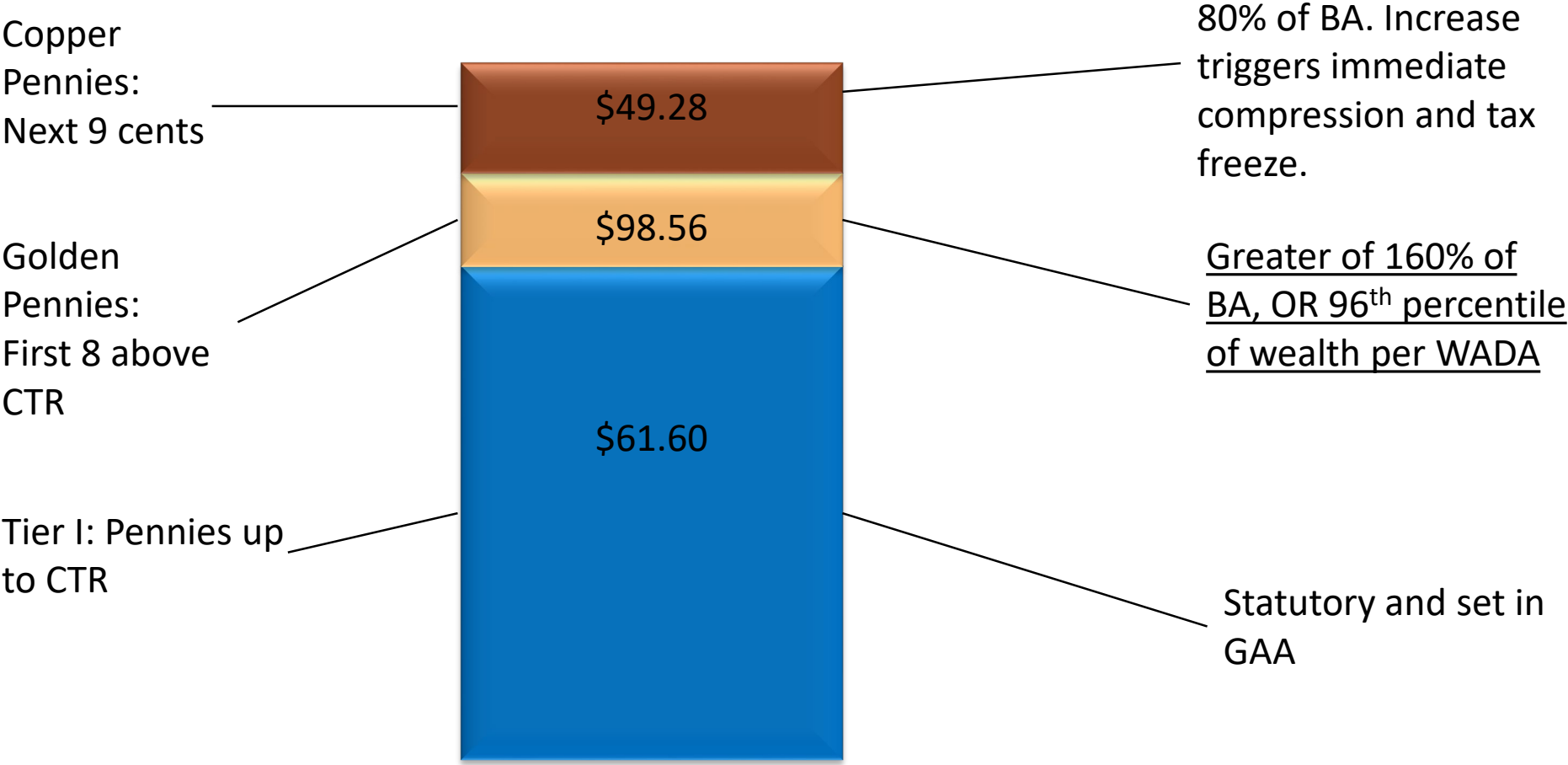
- **According to Comptroller projections**— Dallas Morning New, November 4, 2021; Texas Tribune, November 22, 2021
- **Texas Currently Has a Projected \$24 to \$25 Billion Surplus, for the Next Legislative Session.**
- **With updated tax collection numbers, the surplus could be \$25 to \$30 Billion Surplus**

Revenue Watch: April 2022

Revenue Source	April Percentage vs Last Year	Total Percent Change vs Last Year
Total Tax Collections	25%	30.62%
Sales Tax Collections	11.78%	22.04%
Total Net Revenue	23.9%	29.05%

Basic Allotment, Golden and Copper Pennies

One Current Formula Driver:



The Legislature – Elections

140 of 150 House seats determined in Primary

Key departures: (5 Senators, 25 House Members)

Senator Larry Taylor – Senate Education Committee Chair

Senator Kel Seliger

Representative Chris Paddie – State Affairs Committee Chair

Representative Dan Huberty – Former House Pub Ed Chair

Governor Abbott

Taxpayer Bill of Rights

Reduce School Property Tax Rates

Empower Homeowners to Reduce Their Taxes

- Discounts for paying taxes early
- Reduction in taxable value if purchase price is less than tax roll value

Local Government Debt

- Supermajority vote necessary by governing body and public
- November ballot

Governor Abbott

Parents Bill of Rights

Parents are Primary Decision Makers

Access to Course Curriculum

Protecting Students

- Standards prohibiting “pornographic material”
- Prohibiting the selling of student data

Notifying Parents of Their Rights

...Chapter 26 Texas Education Code

M&O Elimination – TPPF

Eliminating Property Taxes by 2033

- **Lower Spending:** New spending limit enacted last session that limits GR spending to the rate of growth in population and inflation.
- **Lower Taxes:** Continue the buy down of M&O property taxes by dedicating 90% of all GR surplus funds to additional compression above current compression.
- **Lower Burden:** “The result would be to finally eliminate school district M&O taxes...”

“Taxpayer Funded Lobbying”

Senate Bill 10 – Senator Paul Bettencourt

Hall/Middleton versions applied to all entities

Senate version only applied to municipalities

Passed Senate 17-13

House version applied to all entities that impose a tax (School districts)

Passed House State Affairs Committee

Considered on House Floor 5/24 and 5/25 – Postponed by Rep. Paddie

Interim

11 Charges for House Public Education

9 Senate Interim Charges

Texas Commission on Virtual Education Funding

Texas Commission on Special Education

Funding for migrant students

Teacher Shortage Task Force