

- **Substantially Increase the BA (Basic Allotment) & provide for annual adjustments for inflation using the Texas CPI (Consumer Price Index).**
  - School districts are experiencing financial difficulties because the BA remained stagnant at \$6,160 for the past four years. Sadly, this is a reoccurring problem.
  - The answer to this problem is to provide a **substantial increase** to the BA **and** **annual inflationary adjustments** by creating a BA adjustment factor based on a sliding 10-year average of the Texas CPI.
- **Substantially Increase the state share of funding for I&S (Interest & Sinking or Bonded Debt Payments).**
  - In the 2000 school year, the state spent over \$600 million through the IFA (Instructional Facilities Allotment) and EDA (Existing Debt Allotment). That state revenue covered 34% of school district bond payments for that year. **91% of students were in school districts eligible for state assistance** to help pay off bonded debt and lower local taxes.
  - In the 2022 school year, the state's investment to help school districts pay bonded debt **will be less** than \$200 million, and **will cover only 2.5%** of school district bonded debt payments statewide.
  - Every penny the state spends to help school districts pay off bonded debt **is tax rate reduction**.
  - The state needs to dramatically increase the yield per ADA (student in average daily attendance) for IFA and EDA funding. Similar to how the state tied Tier 2 Golden Penny yields to 160% of the BA (in HB3), the state should do the same for IFA and EDA.
- **Provide new & adequate funding and resources to address the challenges of ensuring safe schools for all children, regardless of their zip code.**
  - How can you teach children if you cannot keep them safe? Adequate funding for student safety for all children is a must and **should be completely funded by the state**.
  - Safety is a campus issue and should be funded on a per campus level. **Every campus** in the state, regardless of size, should be guaranteed adequate state funding to provide appropriate school safety personnel on every campus.
  - Because it is a **statewide** security issue, much like DPS, it should be funded outside the school finance formulas with its **own funding stream from state revenues**, so it is not dependent on a local district's property wealth.
- **Move to the use of current year tax Collections as the school district share of formula funding.**
  - The state currently determines the local share of formula funding based on a hold-over from pre-HB 3 school finance legislation. As result, it calculates a local share in excess of what most school districts can collect in any given year. This results in most school districts **not being able to access the full Tier 1 and Tier 2 entitlements they qualify for under the current formula**.
  - Given reasonable constraints to encourage districts to continually work towards collecting all due taxes, a school district's **actual collections** for the year should be used as the local share and state aid should be used to provide what is necessary to fully fund the district's entitlements.