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Cristine Espinosa

Tiffany Page

BeLynn D. Hollers

Jessica Le

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Texas' Funding of Public Education

By

Cristine Espinosa

Texas Government-Honors

Dr. Michael McConachie

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Texas' Funding of Public Education

Currently, one of the most highly debated concerns faced by the Texas government is its funding of public education. It is a topic that is extremely relevant today as school districts across the state, and across the country, find themselves struggling to find adequate funds for a rapidly growing population of students. The amount of money put into our state's public education system impacts the quality of education, which in turn will impact the future economy and society of Texas. Therefore, the way public education is funded is a concern for all Texans. There has been a vast array of research done on this, along with numerous court cases that have ventured to answer the question, "Is Texas's school funding system 'efficient'?" Overall, literature on this topic reveals that Texas' funds for public education is insufficient and decreasing, the current system puts too much pressure on local property taxes, and that those who are most affected by the lack of adequate funding are English language learners and underprivileged children.

Although the research on this topic varies greatly from one piece of literature to the next, they all share one message that is perfectly clear: Texas' financing for public education is utterly inadequate. In fact, the struggle for school districts to find sufficient funds to meet its students' needs is so severe, that hundreds of school districts have sued the state. These lawsuits have been more frequent in recent years, however, "since the 1980s, school districts have repeatedly sued the state in an attempt to increase public education funding," which shows that the issue of insufficient funds has plagued Texas public education for decades (Collier). Although works done on this topic show that this issue is not new, no alterations to Texas' education funding system have made a lasting improvement. In the year 2004 alone, "over 300 school districts in

Texas challenged the constitutionality of the Texas system of school finance” by suing the state, claiming that funding was not enough to help students meet rigorous state education requirements and standardized testing (Imazeki and Reschovsky 96). Most recently, in 2016, “the 600 school districts... two-thirds of the districts in Texas... that sued the state may be on their own to figure out how to move forward,” because the Texas Supreme Court ruled that the education funding system, while heavily flawed, was still constitutional (Isensee). All of these pieces of literature say that hundreds of districts have sued the state, and have been doing so for decades. This is a major red flag, signifying that the funding for education is not enough, and that Texas’ education financing system is not working. What is even more startling is the frequency of the lawsuits seen throughout this research. Together, it all provides evidence that there is not only a problem with Texas’ education financing system, but that a permanent solution has yet to be found since the 1980s.

The lawsuits are not the only evidence of the state’s education funds being inadequate. Numerous reports and articles include current statistics and future projections that show a trend of declining state contribution towards education. In recent years, most school districts in Texas have received some aid from the state through the Additional State Aid for Tax Reduction, or ASATR funding. This year, the ASATR funding expired, and some of the districts that took the biggest hit by reduction of funding were rural districts. These type of districts heavily rely on contributions from the state, as they do not have as much available funding from property taxes as more urban districts. When ASATR funding expired, it left hundreds of districts scrambling to make up the millions of dollars that were lost. According to a *Texas Tribune* article written in June, “districts [stood] to lose as much as \$13.9 million after ASATR [expired]” (Swaby). Some

districts, such as Crane ISD, became at risk for losing as much as 53% of their funding that came from the state (Swaby). A graph also featured in the same article by the Texas Tribune shows that ASATR funding decreased from over 5 billion in the 2008-2009 school year to around half a billion dollars by the 2012-2013 school year (Swaby). This drastic decrease of funds in such a short period of time has made it extremely difficult for school districts to adapt and find other sources of funding.

Statistics in other pieces of literature show an overall decline of state funding for education, not just from the loss of the ASATR funding program. This decline has left districts throughout the state struggling to work with inadequate funds. Even wealthier districts like Frisco Independent School District are having to cut costs and work under strained education budgets. Frisco's *Community Impact Newspaper* explains how a trending reduction of funds from the state combined with a rapidly growing population of students is putting FISD under great financial pressure. Even with the recent increased funds from property taxes, "FISD will not benefit from the increased property tax revenue, because as the district's property values rise, the amount of funding from the state decreases" (Luna). This article also projects what FISD's future funds for the next two upcoming school years will look like. Graphs in the article show that the money FISD received from the state for education for this school year was \$110,592,750 (Luna). However, it will fall to \$80,094,500 by the 2018-2019 school year, and then to \$66,148,500 by the 2019-2020 school year (Luna). This may seem as if there is still a huge amount of funding from the state, however Frisco's population of students continues to explode every year. The city's public schools are "expected to grow by more than 4,000 students by 2019," thus requiring more funding in order for FISD to hire more teachers and offer the same

number and quality of elective courses, sports, and extracurriculars (Luna). The reason the state's contribution to education funding decreases each year is because "neither the state's foundation nor its guaranteed tax base formulas are automatically adjusted for the rising costs of education," meaning that as inflation and the cost of keeping school districts afloat increases, the current education financing system is unable to keep up (Imazeki and Reschovsky 101). In response to reduced state funds, FISD has had to postpone the opening of two newly built schools that were meant to be opened this past fall, and now requires students in sports to pay hefty fees just to be on the team. School districts with less property tax revenue have had to make much worse budget cuts and adjustments.

A major issue that coincides with the decreasing aid from the state government is an increasing pressure on local governments to use property taxes as their main source for school funding. A report from the *Peabody Journal of Education* describes some of this burden as it gives a detailed explanation of Texas' public education funding system. As a result of reduced state aid, "many school districts have been forced to raise their property tax rates, both to make up reductions in state aid and to meet rising education costs," and there is a limit to how much property taxes can be raised (Imazeki and Reschovsky 101). School districts are limited "by a state statute that prohibits property tax rates... in excess of \$1.50 per \$100 of assessed value (Imazeki and Reschovsky 101). The heavy reliance on property taxes for public education financing is a major burden because local governments have many other needs aside from education that require financing from property taxes. Local communities may also be criticized for raising their property taxes, as they are "especially vulnerable to the contemporary popular backlash against government taxing and spending" (Janssen 6). Having enough property taxes

each year to spend on education is also not guaranteed. “Local spending is discretionary, placing local taxing and spending decisions within voter reach,” which means that if the citizens of a district vote against an increase in property taxes, that district’s school system is likely to find themselves with insufficient funds for that school year (Janssen 6). In the Peabody Journal of Education and other literature, it is clear that the pressure on local communities to use high property taxes is a truly unavoidable hardship in Texas’ current education funding model. This reliance on property taxes can be risky, because having increasing property taxes is a decision made by a district’s voters, therefore receiving sufficient funds from property taxes is not reliable or guaranteed.

Lastly, one of the biggest issues discussed throughout the reports and articles on this topic is that the consistent lack of funding for public education in Texas has the greatest impact on the children who need it most: English language learners and students from underprivileged areas. A report by Augustina Reyes titled “Texas State Compensatory Education,” which was published in the *Journal of Education Finance*, discusses the educational needs of English learners and disadvantaged children. In the U.S., “39-50% of the children enrolled in public schools are categorized as economically disadvantaged,” and a surprising amount of these children reside here in Texas (Reyes 223). Reduced funding causes the most damage to this group of students, because poor communities “have additional needs, including the needs of non-English-speaking students” and face a greater “inability to offer a full range of courses...and staffing shortages” than more privileged communities (Reyes 225). Students from impoverished families are less likely to have educational resources at home like books, electronic devices, and Internet access. This leads them to be “more dependent on schools and teachers than students

who have access to learning opportunities in the home and the community” (Reyes 227). These children rely more on resources provided by their schools than any other students, so decreased state aid will have the greatest impact on them.

In *The Daily Texan*, an article by Allyson Waller takes a closer look at the real-world influence that education budget cuts has on lower income and bilingual students. In 2011, there was a “\$5.3 billion cut to public education,” and although it had a severe impact on districts all over the state, it “led to substantially less funding for bilingual programs and accelerated education among low-income students in the K-12 age range” (Waller). Specifically, this budget cut has led to “21 percent less spending on academic support programs and 40 percent less spending on bilingual education at elementary schools with the highest percentage of low-income students,” which will no doubt lead to a continuous cycle of frustrated young students who are not being given the programs they need to be successful in school (Waller).

Overall, the research that has been done regarding Texas’ system for funding public education shows that the state is generally providing inadequate funds, putting too much pressure on local property taxes, and the lack of funds has the greatest impact on bilingual and disadvantaged students. The pieces of literature with the strongest points are the article by Luna in the *Community Impact Newspaper* and the report by Imazeki and Reschovsky from the *Peabody Journal of Education*. Luna’s article gives startling statistics and digs deep into the reality of FUSD’s financial situation, thereby revealing how the state’s current education financing system is so flawed, even wealthy school districts are struggling to make ends meet. Imazeki and Reschovsky thoroughly explain the system itself and how it functions in the real world. The biggest weakness in the literature is that they all offer little to no solutions for how to

improve Texas' public education funding system. They point out the flaws in the system without discussing ways to permanently solve them. There should be more research done on the long term impacts of a well financed education versus those of a poorly financed education district. Once more of this type of research is done, it may move more Texans and Texas government officials to make a substantial effort to find the right financing system to meet the needs of all Texas students.

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