



Birdville Independent School District

Stephen F. Waddell, Ed.D. • Superintendent

6125 East Belknap • Haltom City, Texas 76117 • 817.547.5700 • Fax 817.547.5530 • www.birdvilleschools.net

Re: Financing Texas Public Schools

Texas Public Schools are in a funding crisis that needs swift attention if they are to continue to fulfill their mission of educating every student who walks through their doors. The current Texas school finance system is broken. It has three major deficiencies that are intertwined to create a perfect storm for financial disaster.

1. **Structural Defects:** The most glaring defect is the revenue cap that restricts the money a school district can raise. School districts cannot raise taxes without an election. Even then the amount is limited by law. School districts can receive revenue for additional students, but more students mean more operating costs. Some school districts, like Birdville, have accepted transfers to fill empty seats, but that strategy is limited by geography and the capacity of the buildings. Even when communities experience commercial growth or new industries the school district benefits very little. Growth in property values provides no benefit to the local district but a lot of benefit to the State. In fact one of the reasons Texas is in a budget crisis is due to declining property values at the local level that has caused the state to send more money to schools. As long as property values were increasing state-wide, the State benefitted.

In 2006 the Legislature reduced the amount of local taxes a district could raise by lowering the tax cap to \$1.00 (with 4 additional cents at the local Board's discretion). The State was to replace the money through a business tax. To date, this new tax has not raised enough money to replace the property taxes lost to schools. This fundamental gap of about \$10 billion is at the core of the State's Budget crisis

2. **Inequitable distribution of money:** School districts funding levels are capped. These caps are called "target revenue" and are determined by factors from five years ago. These target revenues have not changed substantially since then. For 2010-11 Birdville has the lowest target revenue (\$4,932) in Tarrant County. **There is nothing the BISD Board of Trustees or administration can do to change this amount.** Neighboring school districts have tens of millions more to spend on its children leaving Birdville parents wondering why their children are inferior to other children in Tarrant County, at least in the eyes of the Texas Legislature (but BISD taxpayers are taxed at the same rate or more!).

*All students succeed
in a future they create.*

3. **Inadequacy of funds:** This issue is intertwined with the previous two issues but is prominent because each year the standards increase for what students should know and what schools are required to teach. As children in public schools become more diverse in languages and backgrounds, as more and more come from below-poverty homes, the challenges to overcome the backgrounds of these hard-to-teach students require additional resources that are simply not available to local schools. This problem is further compounded by the addition of layer after layer of mandates and requirements that are simply never funded by the State, but must be paid for by local districts.

These things must be done immediately:

- **Funding Texas Public Schools must be the top priority of the State, even more important than redistricting.**
- **Comply with the Supreme Court ruling that requires the Legislature to create a system that provides for students to have “equal access to equal funds” for every district and student in the state.**
- **Allow local school boards the discretion to control funding by being able to increase their local taxes to meet locally determined needs.**
- **Stop unfunded mandates. The State of Texas has protested to the Federal Government about this matter. The Legislature should follow its own advice.**
- **If cuts must be made to public schools, then do not cut those schools who have been historically underfunded for the past five years *and* that have a track-record of operating efficiently, the same amount or percentage of those districts that have been funded above the state average.**