



Policy Brief

Fair and Essential Education Funding Requires State Investment

Strong, recent research shows that increased funding has contributed to both improved student performance and lifetime outcomes, especially for underserved students (Jackson 2016; Lafortune 2016). Students succeed when given appropriate opportunities, such as robust coursework, good teachers, smaller class sizes, quality pre-K and strong tutoring. Many of these, including the recruitment of good teachers, cost money — especially for schools with high numbers of poor students. The data show that no matter how smartly schools stretch their budgets, oftentimes many children are left without these opportunities because the state underfunded their education.

The Texas Constitution has established that the State of Texas is responsible for educating Texas students. Yet the State has reduced its share of public education spending during the last decade from 53 percent in 2007 to 45 percent in 2017. These state cuts to education and increases in property values have resulted in local communities footing the bill for K-12 public schools. Each percentage point represents millions of dollars.

Texas School Funding Categories		
	Local	State
2000	54.4%	45.6%
2001	57.3%	42.7%
2002	60.7%	39.3%
2003	63.5%	36.5%
2004	64.6%	35.4%
2005	66.6%	33.4%
2006	69.5%	30.5%
2007	63.0%	37.0%
2008	53.8%	46.2%
2009	57.7%	42.3%
2010	55.8%	44.2%
2011	54.5%	45.5%
2012	57.0%	43.0%
2013	58.1%	41.9%

Intercultural Development Research Association

2014	57.8%	42.2%
2015	59.6%	40.4%
2016	59.6%	40.4%
2017	61.8%	38.2%
2018	64.0%	36.0%

Source: Texas Comptroller of Public Accounts
<https://comptroller.texas.gov/economy/fiscal-notes/2019/jan/drivers.php#article>

Note: Percentages reflect traditional public schools (not charters). Local share includes intermediate funds. State share includes federal funding, which relatively small and variable.

In 2018, Texas received a D on a national school finance report with Texas ranking only 38th in the country in the national report card by the Education Law Center (2018).

As the state defaults in its responsibility to fund education, most school districts in Texas, especially property-poor districts, are stressed to raise taxes and are unable to deliver the quality education that all students deserve.

References

- Jackson, C.K., & R. Johnson, C. Persico. (2016). "The Effects of School Spending on Educational and Academic Outcomes: Evidence from School Finance Reforms," *Quarterly Journal of Economics*, 157-218 (Oxford University Press).
- Lafortune, J., & J. Rothstein, D. Whitmore Schanzenbach. (2016). *School Finance Reform and the Distribution of Student Achievement*, NBER Working Paper No. 22011 (National Bureau of Economic Research).
- Baker, B.D., Farrier, D., & Sciarra, D. (2018). *Is School Funding Fair? A National Report Card*. Education Law Center. http://www.edlawcenter.org/assets/files/pdfs/publications/Is_School_Funding_Fair_7th_Edit.pdf

The Intercultural Development Research Association is an independent, non-profit organization. Our mission is to achieve equal educational opportunity for every child through strong public schools that prepare all students to access and succeed in college. IDRA strengthens and transforms public education by providing dynamic training; useful research, evaluation, and frameworks for action; timely policy analyses; and innovative materials and programs.

Texas' Divestment of Public Education

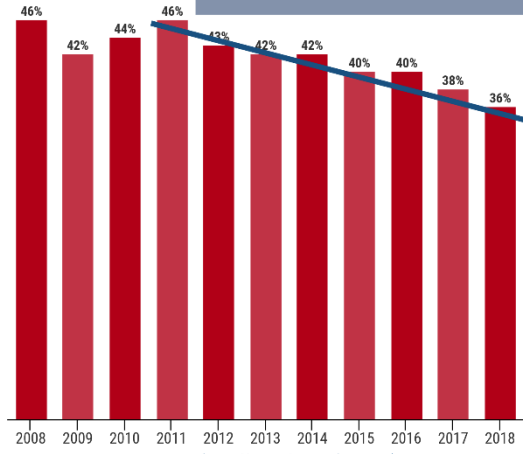
The Texas Constitution requires the State to provide education for all students. But state's share of education funding has dropped, not risen. During the last almost two decades, the state has reduced its contribution from 46% in 2000 to 36% in 2018.

#1 Who is paying?



Percentages reflect traditional public schools (not charters). Local share includes intermediate funds. State share includes federal funding, which is relatively small and variable.

#2 Trending down, not up!



Every percentage point represents millions of dollars.

In the last decade, state cuts to education and increases in property values have resulted in local communities footing the bill for K-12 public education.

The result?: Inadequate and inequitable resources for school children.

#3 Texas ranks 38th

A B C **D** F

In 2018, Texas received a **D** on a national school finance report and ranked **#38** in the country.

As the state abdicates in its responsibility to fund education, most school districts in Texas, especially property-poor districts, are stressed to raise taxes and are unable to deliver the quality education that all students deserve.

It doesn't have to be this way

Data Sources: Texas Comptroller of Public Accounts, 2019; Is School Funding Fair? A National Report Card, Education Law Center, 2018