



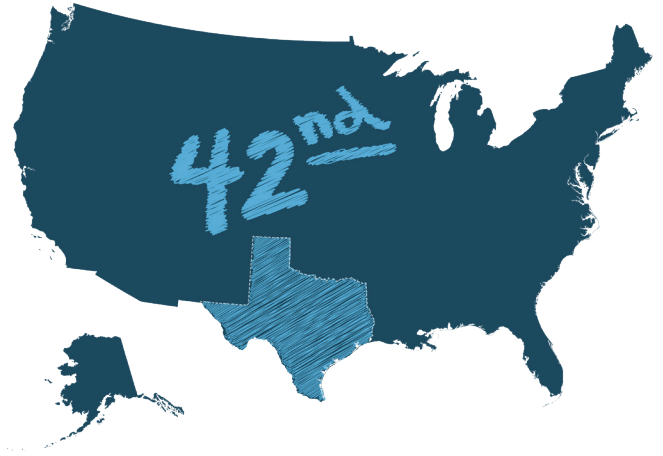
Where We Stand on School Funding

Money matters in education. Even amid unprecedented challenges like the COVID-19 pandemic, learning disruptions, teacher shortages, and record-breaking inflation, public schools continue to be the bedrock of our communities. Our students benefited from the substantial state and federal investments over the last three years, but tremendous funding obstacles lie ahead. Raise Your Hand Texas adamantly supports increasing investments in public schools to curb learning disruptions, expand mental health programs, improve school safety, update technology needs, and retain teachers. The \$19 billion Texas public schools received in federal stimulus funds expire in 2024, and our current school finance formulas are not flexible enough to meet the ongoing instructional demands or inflationary cost pressures. Texas lawmakers will have a substantial amount of funding this legislative session – over \$27 billion in additional general revenue and over \$13.6 billion in our state’s Rainy Day Fund. Investing in public school students should be a priority every session, because the future of Texas depends on well-funded public schools.

Policy Recommendations

- ▶ Increase the state’s overall investment in our public school students and in public education programs
- ▶ Create an automatic annual adjustment to the basic allotment – the building block for per-student funding – to address inflation and growing needs of our schools

Texas Ranking: 2021 Quality Counts Report card for public school spending nationwide¹



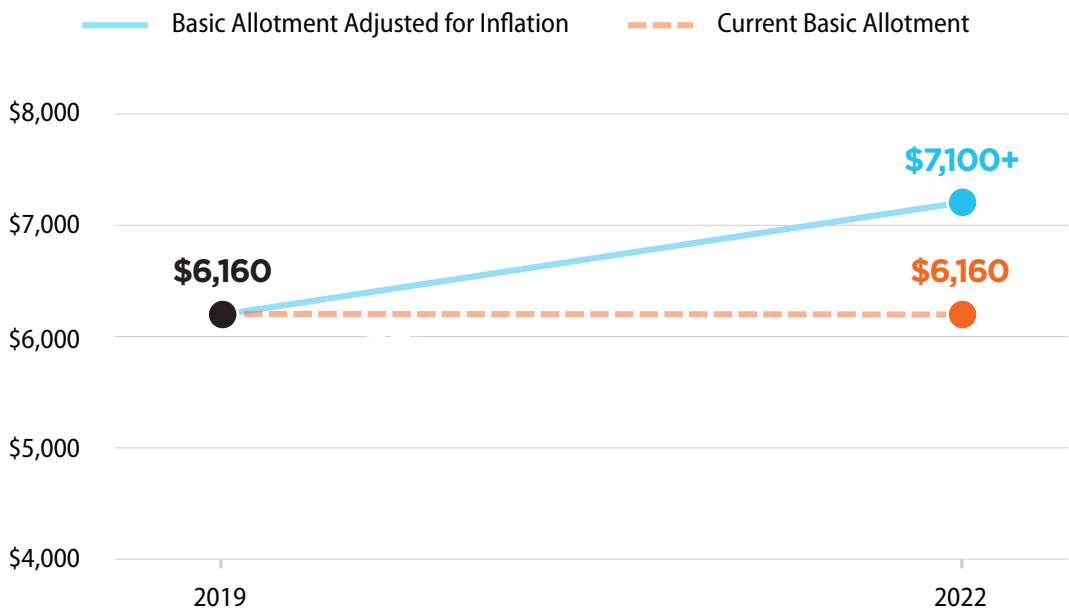
The Key to Unlocking School and Student Funding Pressures is the Basic Allotment

Over the last three years, our state has seen double-digit inflation, placing a tremendous amount of pressure on public schools to fund teacher and staff salaries, health insurance, energy costs, and more. Until these challenges are addressed, many school districts will struggle to offer competitive wages and fill teacher vacancies. That is why the Texas legislature should expand public school funding this session by creating an inflationary adjustment to the basic allotment. While the 2019 school funding overhaul provided important updates to meet student needs, the core component of student funding – the basic allotment – has remained stagnant and fails to keep up with inflation. When it comes to state spending on education, Texas trails the national average by over \$4,000 per student, earning our state an F-rating and ranking 42nd in the nation in per-student spending. The impact of underfunding our public schools is long-lasting. By doing so, Texas limits the ability to develop a well-rounded citizenry and an effective workforce.

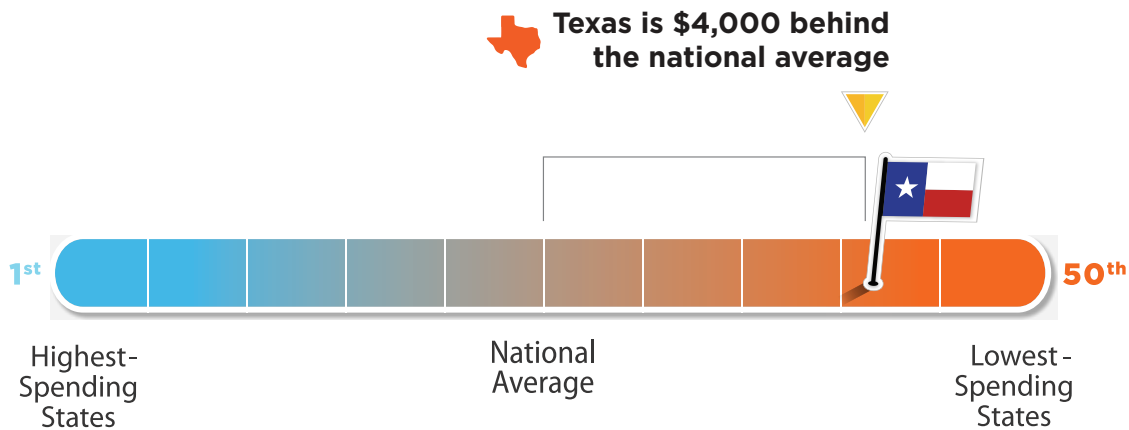
As costs continue to rise, school districts are being forced to raise taxes or cut important programs in order to stay ahead of fiscal cliffs. An automatic annual adjustment would allow the basic allotment to reflect the fluctuating costs of public education and reduce recapture. The added funding provided by an automatic adjustment would also allow the state to

continue operating important initiatives like the statewide accelerated instruction program, which is solely dependent on federal stimulus dollars at the moment. Texas has the opportunity to build the future of our state, starting with a greater investment in our public school students.

Keep Pace with Inflation: Unlock Texas School Funding²



Texas Ranks in the Bottom 10 in Per-Pupil Spending



Sources

¹ Texas Quality Counts Report 2021: <https://www.edweek.org/policy-politics/quality-counts-2021-educational-opportunities-and-performance-in-texas/2021/01#:~:text=In%20School%20Finance%2C%20Texas%20receives,Finance%20and%20K%2D12%20Achievement.>
² CPI Inflation Calculator, U.S. Bureau of Labor Statistics



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