



TEAMWORK FOR EXCELLENCE

P L A N O
Independent School District

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SCHOOL DISTRICTS SOUND ALARM OVER SCHOOL FINANCE PROPOSAL

PLANO, TEXAS, May 17, 2019 – School and business leaders across Texas voiced concern Friday over a proposed change to the way that the state calculates a district’s funding.

Dallas-area school districts urged legislators not to begin using property values from the current year in the state’s school finance formulas. Right now, those formulas use property values from the prior year, which allows local school districts to write budgets with a clear understanding of how much funding they will receive from the state or lose through Robin Hood.

Last month, the Texas House passed a version of the House Bill 3 (HB 3) school finance reform legislation that would continue the use of property values from the prior year. However, when the Texas Senate passed its own version of HB 3 weeks later, the legislation, instead, called for using property values from the current year.

Members of the House and Senate are now negotiating a final version of HB 3 that both chambers can approve before the legislative session ends on May 27. As those negotiations have continued, educational leaders across Texas have become increasingly worried that the final bill will use current-year values.

“We’ve been optimistic that legislators would deliver transformational school finance reform for students and taxpayers,” said Sara Bonser, Superintendent of Schools for Plano ISD. “We want to maintain our optimism; however, using current-year values would negate an otherwise positive legislative session for our school children.”

School districts and business leaders in the Dallas-Fort Worth, Houston and Austin areas all held press conferences on Friday morning in order to amplify their concerns about this proposed change. Dozens of school districts have also written joint letters to legislators in recent weeks asking that the system continue to use values from the prior year.

A change from prior-year values to current-year values would save the state about \$1.8 billion per year.

A shift to current-year values would also make it much more difficult for local education leaders to write responsible annual budgets. The use of property values from the prior year provides certainty for school districts because those values have gone through the appeals process, as well as the property value study conducted by the state Comptroller of Public Accounts. That means that school district leaders write their budgets with a relatively firm understanding of how much property value exists in their district.

“No successful business would try to build a budget on crystal ball projections because that is highly speculative,” said Jeff Beckley, Immediate Past Chair of the Plano Chamber of Commerce Board of Directors.

Under a change to current-year values, districts would be writing budgets based on values that are still subject to appeals and review. This could lead to significant fluctuations in state funding. For example, if the total value of property in a school district ends up higher than projected, the district could have to pay more than expected in Robin Hood recapture after the school year has begun. This could force the district to lay off teachers or shave programs during the school year.

“We are ready for the bold and courageous reforms that legislators have proposed in House Bill 3, and we have come too far to let an accounting ploy undermine the opportunity to improve education for Texas students,” said Dr. Jeannie Stone, Superintendent of Schools for Richardson ISD.

Sara Bonser, Superintendent of Plano ISD added, “We were promised transformational legislation that adds significant new money to our schools while providing property tax relief, and we hold out hope that there is still time for our legislators to deliver on that promise.”

Participants in the Dallas area press conference included:

- Dallas ISD Trustee Dan Micciche
- Plano ISD Superintendent of Schools Sara Bonser
- Richardson ISD Superintendent of Schools Dr. Jeannie Stone
- Plano Chamber of Commerce Immediate Past Chair Jeff Beckley
- Senior Vice President/Workforce for Dallas Regional Chamber of Commerce Drex Owusu

About Plano Independent School District

The Plano Independent School District (Plano ISD) (www.pisd.edu) endeavors to foster the highest level of student learning. Plano ISD is located 20 miles north of Dallas, Texas and serves the residents of approximately 100 square miles in southwest Collin County, including 66 square miles in the city of Plano, northern portions of the cities of Dallas and Richardson and parts of the cities of Allen, Parker and Murphy. Plano ISD employs more than 6,900 staff members who serve more than 53,000 students in 72 schools and 11 service facilities. Mission: Our Plano ISD learning community will educate, inspire and empower every student to activate their unique potential in a dynamic world.