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# Plan sought to help needy schools

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The financing system for Texas public schools is broken, and Gov. Rick Perry has said he will call a special session to address the issue if lawmakers reach a consensus on how to solve the problem.

But finding broad agreement on restructuring the state's tax system will be a difficult task.

The size of the job was on display at a recent policy orientation for legislators sponsored by the Texas Public Policy Foundation.

Panelists speaking to the gathering called for everything from a state income tax to raise billions of dollars in new revenue to reducing taxes and forcing public schools to compete with private schools for state dollars.

As House Appropriations Committee Chairman Talmadge Heflin, R-Houston, opened a panel discussion on public education spending, he noted the old saw that the problem is not a lack of revenue; instead the problem is spending. "I tend to agree with that," Heflin said.

The chairman's comment should be enough to send chills down the spines of Texans who believe public schools need more money.

The group that disagrees with Heflin includes some powerful business leaders.

Many major corporations have joined with educators in the Texas Business & Education Coalition. Appearing on the same panel as Heflin,



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takes more than \$1 billion annually from wealthy school districts and distributes the money to poorer school districts. The vast majority of school districts benefit from this distribution.

But state law also caps property taxes at \$1.50 per \$100 in valuation for operation and maintenance, and about half of the state's schools have reached that cap. They have no way to get more money to address inflation, rising health care costs, growth and other expenses.

The incentive proposals recently proposed by Perry do not address this reality.

Dozens of districts have joined in a lawsuit seeking to have the state's funding plan declared an unconstitutional statewide property tax. The suit is expected to go to trial this summer.

TBEC spokesman Drew Scheberle said, "Revenue in and of itself is not an answer, but we do need access to more revenue because there is no more room in the system."

The current school finance system is based mostly on local property taxes. The state chips in less than 40 percent of the cost.

A state law, known as the Robin Hood law,

The overriding question is whether legislative leaders can muster momentum for changing the system before the courts force them to do it. Waiting for a final court decision could take years.

Many lawmakers ran on a platform of reducing property taxes and ending Robin Hood, which is another factor driving the push for change. But this agenda is far removed from the goals of public school educators.

As widely reported, Perry's chief of staff has been quietly testing the response to a \$4 billion package, featuring a cigarette tax increase and video poker at parimutuel racetracks.

And the Joint Committee on Public School Finance, created by Lt. Gov. David Dewhurst and House Speaker Tom Craddick, has been holding hearings studying possible solutions since last summer.

The panel is scheduled to release preliminary recommendations in March. It remains to be seen whether Perry will find enough consensus to move forward at that point.

**Correction:** Julie "Mamabexar" Oldham, described here as a candidate for Texas Senate District 26, will not be on the GOP primary ballot. A party official said the check used to pay her filing fee was returned due to insufficient funds.

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