

Legislators 'started peeling off'

With lawmakers torn in too many directions, school bills were doomed

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By **CHRISTY HOPPE** and **TERRENCE STUTZ** / **The Dallas Morning News**

AUSTIN – The education bills fine-tuned by Republican leaders had hung around long enough for opponents to organize. And by this week, there were a lot of them.

Teachers hated the miserly pay raise and the emphasis on standardized tests; businesses felt whacked by new taxes; Democrats defended consumers; school superintendents complained their districts would lose funding ground and local control; the Senate didn't like the high sales taxes; and the House protested the low tax relief.

On Tuesday, it collapsed when House members threw out the school finance bill and then trounced the tax bill on a lopsided 124-8 vote.

"We had that perfect storm of complicated issues with very tired and frustrated legislators, and then the ongoing vocal opposition from the school administrators and teacher associations," said Michael Quinn Sullivan of the conservative think tank Texas Public Policy Foundation.

But in his mind, the plans fell apart on the shaky ground of politicians trying to sell a tax swap.

Proponents called it a property tax cut of historic proportions, while critics with equal accuracy called it the largest tax increase in Texas history – done by boosting state sales taxes to the highest in the nation. The Legislature's own numbers showed that 90 percent of Texans would probably pay more taxes under the plan.

"The whole debate was not about cutting taxes but shifting taxes around," Mr. Sullivan said. "Then you have winners and losers. The losers tend to be vocal, and the winners tend to be skeptical of government" and not really believe they'll see a tax cut, he said.

"As things became more complicated, people started peeling off," he said.

House Speaker Tom Craddick drew a similar conclusion, saying lawmakers were torn in too many directions.

"A lot of members thought there wasn't enough property tax relief. Some members didn't want to vote for a tax even if it meant property tax reduction," he said. "Some people are opposed to

putting more money into schools. You have a huge mixture out there."

On Wednesday, Gov. Rick Perry, Lt. Gov. David Dewhurst and Mr. Craddick huddled in the governor's office for nearly three hours to determine what might be salvaged during the last 23 days of the second special session this year on school finance.

Mr. Dewhurst said he was not ready to give up as he emerged from the meeting, indicating that the Senate may take up its own school finance bill this week while waiting on the House to take another stab at the tax bill.

Options are limited, however, since only the House can originate a tax bill and the legislation can only be considered again if it is substantially different from the measure voted down Tuesday.

Still hoping

"I don't think there is any question that the governor, the speaker and I would like to come out with a good solution," Mr. Dewhurst said.

"The Senate wants to act. They want to see education reform. They want to see local property taxes reduced," he said. "Don't confuse the House and the Senate."

But the legislation will still have to clear both chambers, and the prospects remained dim. A bare minimum plan might have some appeal, and some legislative leaders were talking about at least providing a small teacher pay raise and funding new textbooks.

As a testament to the broader school finance bill's narrow appeal, the grim prognosis was welcome news among school districts and education groups.

"Lawmakers have heeded the message from educators, PTAs, average taxpayers and enlightened business people," said Linda Bridges, new president of the Texas Federation of Teachers. "We hope the big three state leaders will now abandon the narrow and inadequate agenda they have pursued thus far and listen to the message from back home."

School districts said the meltdown in the House was inevitable because legislative leaders never put enough focus on schools.

"They missed the boat," said Clayton Downing, director of the Texas School Coalition and former superintendent of Lewisville schools. "They've been more focused on campaign promises like property tax relief than on solving the education funding issue. It was a mistake that not a dime of the tax bill was going to schools."

Dr. Downing and other school district representatives said it didn't help that the education bill was loaded down with unpopular ideas like instituting a later start date for schools and holding nonpartisan school board elections in November.

"There was plenty for school districts to dislike in this legislation," he said.

Teacher groups also galvanized their members against the plans. The Texas State Teachers Association flooded House members with an estimated 3,500 telephone calls and thousands more e-mails voicing their opposition.

"The longer those bills sat out there, the more time folks had to look at them and find how bad they were," said Richard Kouri of the teachers group.

Democrats in both the House and Senate were among the skeptics on the proposals backed by GOP leaders.

"Teacher raises were never as much as advertised, and there was never enough new money in the bill to solve the issues in our schools," said Eliot Shapleigh, D-El Paso.

Mr. Perry said the naysayers won the day in the House, which left him "shocked and surprised."

Assigning blame

He laid the blame on education groups and those who would pay the new taxes, such as the 10,000 businesses that had escaped the state franchise tax, and tobacco interests.

"The special interests want to protect the education status quo. They want to protect their tax loopholes. They want to protect their market share of tobacco addicts," Mr. Perry said. "Why should the special interests win at the expense of schoolchildren, parents and taxpayers?"

But even lawmakers who wanted to continue work on the plans said the House's overwhelming rejection of the tax plan was designed to send a message to the governor, who has kept them in session even after knowing there were no agreements on the tax shift.

It was "a stampede to bash the governor," said Rep. Will Hartnett, R-Dallas.

Mr. Hartnett registered himself "present, not voting" on the tax bill because "I did not want to be a part of that stampede."

The bill died, he said, because everyone apparently wanted to "flee our difficult responsibility to address school finance."

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