



Priorities for the 89th Legislative Session

Invest in all students by increasing the Basic Allotment

Texas is the ninth-largest economy in the world and has established a strong track record for job creation and business growth. The state's continued economic success depends on the presence of a well-educated workforce that is ready to meet the demands of a changing economy. The Basic Allotment has been flat since 2019, despite significant inflation since that time, putting Texas in the bottom 10 states in per-pupil funding. An increase in the Basic Allotment would give public school districts the flexibility to boost teacher salaries, keep schools safe, and put dollars directly into the classroom.

Index the Basic Allotment to inflation

Just as Texans are dealing with increased expenses to live and operate businesses, public school districts face higher costs as they seek to provide students with excellent learning opportunities. With inflation increasing more than 20% since 2019 – without a correlating increase in the Basic Allotment – school districts' purchasing power has diminished considerably. A one-time investment from the state's historic surplus would put needed dollars into public schools without any additional burden on taxpayers. To help school districts maintain investments in students in the future, an automatic adjustment to the Basic Allotment should be tied to inflation.

Demand public accountability for public dollars

Any school or educational entity that receives public funds should be held to the same standards for student outcomes, fiscal performance, open records and meetings, student services, and other forms of transparency. When some schools receiving public funds are not held to the same accountability standards as others, student performance, fiscal responsibility, and public trust are all put at risk.

Reinstate early payment discount to reduce recapture burden

The Legislature's efforts to provide property-tax relief have helped to reduce recapture by making the school-funding system less dependent on local tax collections. Legislators could also reduce recapture by reinstating the optional early payment discount that was previously offered to school districts but eliminated in 2019. The early-payment discount is available to businesses making sales tax and motor-vehicle tax payments to the state, and it should also be available to school districts making recapture payments. This would provide relief for school districts while allowing the state to collect revenue sooner.