

2025 LEGISLATIVE PRIORITIES

FROM

CAPITOL TO CLASSROOM:

MAKING AN IMPACT



POLICY RECOMMENDATIONS ON SCHOOL FUNDING:

- ▶ Increase state funding for public school students and education programs, with a particular focus on raising teacher pay
- ▶ Implement an automatic annual adjustment to the Basic Allotment – the foundation for per-student funding – to address inflation and the growing needs of our schools
- ▶ Reinvest state savings due to local school district property value growth back into public schools

Where We Stand on School Funding

Texas public schools are currently navigating a perfect storm of financial challenges: record inflation, the conclusion of federal stimulus funds crucial for post-pandemic recovery, declining enrollment, increased school safety requirements, and a host of other funding pressures beyond the control of local schools. While lawmakers last increased the Basic Allotment in 2019, inflationary pressures without subsequent adjustments mean that districts are effectively operating with \$1,300 less per student than they did five years ago.¹ Consequently, Texas districts have been forced to adopt deficit budgets or make cuts, threatening the elimination of essential programs, staff, and – potentially – even campus closures.

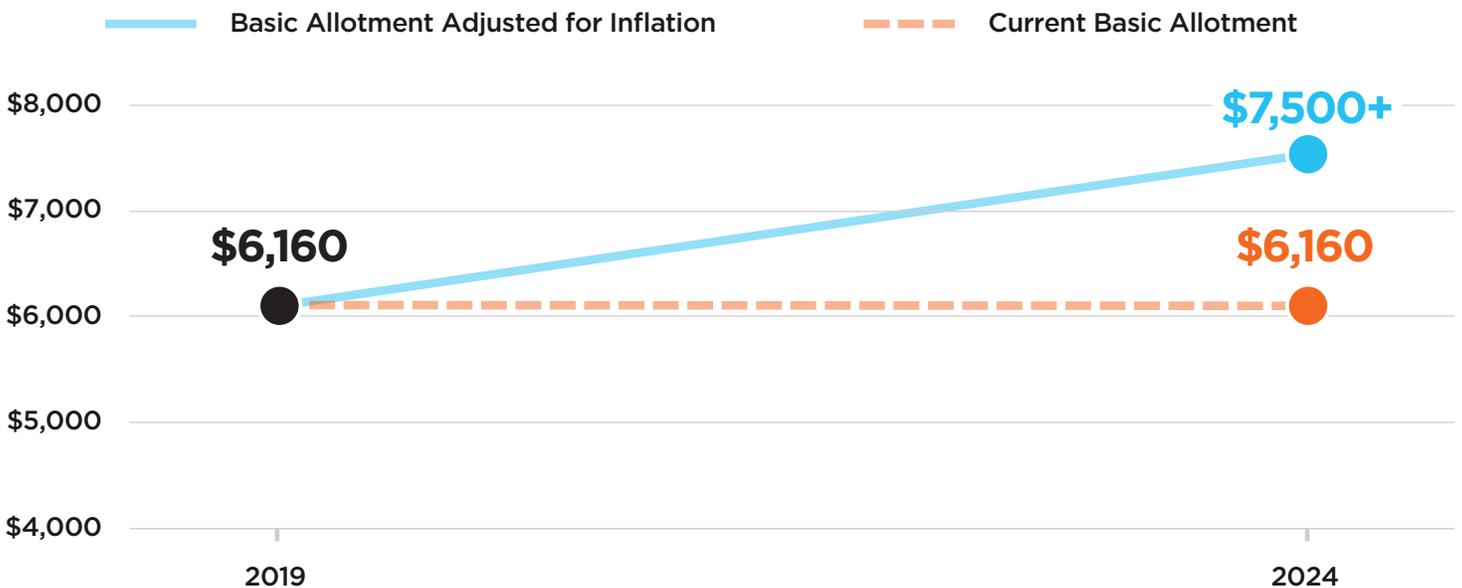
Despite these challenges, Texas lawmakers have access to substantial funding this legislative session – at least \$21 billion in available state general revenue and over \$23 billion in the state’s Rainy Day Fund.

School Districts Are Doing More With Less

Since the last per-student funding adjustment in 2019, inflation has increased by 22%. Without corresponding adjustments, school districts must cover teacher and staff salaries, health insurance, and everyday operational costs at higher prices with less funding. Teacher salaries have largely remained stagnant, meaning educators are also being forced to do more with less.

The Texas Legislature has the power to expand public school funding this session by increasing the Basic Allotment and then creating an ongoing annual inflationary adjustment, which allows the Basic Allotment to reflect the fluctuating costs of public education while at the same time reducing recapture.

Keep Pace with Inflation: Unlock Texas School Funding



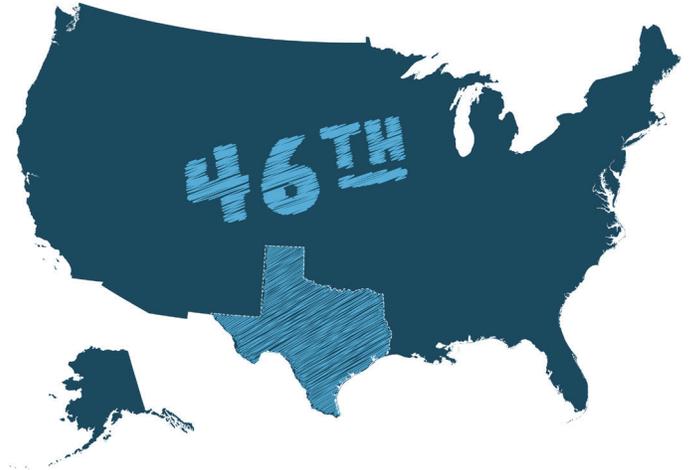
Texas Continues to Rank in the Bottom 10 in School Funding

Texas Ranking: 2024 NEA State Rankings Report ¹

Texas continues to rank in the bottom 10 states nationally for state spending on education, trailing the national average by over \$4,400 per student.² The long-lasting impact of underfunding our public schools is profound.

Investment in education is crucial. The Legislature alone holds the power to adjust school funding to meet the demands of the 2025 economy and support students' unique and varied needs.

Every legislative session, the state saves billions from local home and business property value growth, but the Legislature is not reinvesting these billions of dollars back into public education. Texas has an equalized school funding system, meaning when local school taxes increase, the state has to contribute less money unless it increases school funding formulas. The state saved over \$8 billion last legislative session because it did not increase any of the major funding formulas driving our spending per student.



To learn more about how the Texas school funding system works, watch this video.

Raise Your Hand Texas firmly supports increased investments in public schools to address learning disruptions, expand mental health programs, improve school safety, update technology, and most importantly, attract and retain our best teachers.



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local school property value growth.

Sources

¹ CPI Inflation Calculator. August 2019 to June 2024. Retrieved from <https://data.bls.gov/cgi-bin/cpicalc.pl?cost=1&year1=201908&year2=202406>

² National Education Association. Rankings of the States. April 2024. Retrieved from <https://www.nea.org/resource-library/educator-pay-and-student-spending-how-does-your-state-rank>