

DISTRICT LETTERHEAD

RESOLUTION

Calling on the Texas Legislature to remove the unfair penalty
for small schools with less than 300 square miles

WHEREAS, the Texas Legislature has recognized the higher costs associated with the diseconomy of scale impacting small districts for more than 40 years (Section 42.103 of the Texas Education Code);

WHEREAS, Section 42.103(c) codifies a lesser formula for small districts with less than 300 square miles by decreasing the formula multiplier by 37.5%, which was arbitrary from the beginning and was never based on any study, other research or calculation;

WHEREAS, all Texas schools with less than 300 square miles are held to the same standards and requirements as schools with more than 300 square miles and should receive the same formula adjustment to educate their students;

WHEREAS, a diseconomy of scale is not related to the number of square miles in a district, but, rather, is the recognition of the additional cost of delivering an education for a small number of students;

WHEREAS, over 460 Texas districts are negatively affected and receive significantly less funding for the same increased burden of providing a quality education in a small school;

WHEREAS, students in districts subject to the penalty are deprived of educational opportunities the state system makes available to similar districts not subject to the penalty;

WHEREAS, parents and other taxpayers in penalized districts are forced to pay higher average tax rates, while receiving substantially less funding for their children;

WHEREAS, the "300 square mile" differentiation was an arbitrary, off-the-cuff number offered in answer to a question during a hearing in 1975 and was not the result of any study, or even any forethought;

WHEREAS, the arbitrary "300 square mile" differentiation has no cost basis, and there is no reason to continue using two different funding formulas for Texas' small schools;

WHEREAS, simply repealing the secondary, non-cost-based formula funding would allow these districts to be funded based on a state-recognized cost instead of an arbitrary and punitive amount;

NOW IT IS HEREBY RESOLVED that the Trustees of the _____ ISD call on the Texas Legislature to repeal the secondary, punitive, and arbitrary small schools formula and fairly treat our children and taxpayers in the same manner the current system treats similar small districts.

*Based on FY16 Near Final TEA data and Equity Center funding model