

March 10, 2005, 12:39PM

School bill gets a narrow House OK

Funding plan would reduce property taxes, raise teacher pay

By JANET ELLIOTT

Copyright 2005 Houston Chronicle Austin Bureau

AUSTIN - A closely divided Texas House on Wednesday voted 76-71 in favor of a major overhaul of the school finance system that reduces local property taxes and raises teacher pay.

Nine Republicans joined Democrats in opposing the controversial measure, which rewrites long-standing laws on how money is distributed to school districts. It adds new yardsticks to measure schools — such as on bilingual student improvement — and allows the education commissioner to more swiftly close troubled schools.

"It (contains) a lot of things that a lot of us have wanted to see done for years. It's a huge step forward," said House Speaker Tom Craddick.

"I applaud the Texas House of Representatives for demonstrating a strong commitment to meaningful education reform and passing HB 2," said Gov. Rick Perry.

Harris County Republicans voted for House Bill 2 and Democrats voted against it, except for Rep. Al Edwards, who voted present.

Final approval, usually a formality, is expected today. Also today the House will begin debate on an \$11 billion tax bill to fund the one-third property tax cut, a priority of the state's Republican leadership.

Craddick, R-Midland, said he's confident the tax measure, House Bill 3, also will be passed.

The Senate has outlined many of the same property tax and school finance goals, but is expected to increase education funding and offer a different tax package to replace the lost property taxes.

Dubbed the "Roadmap to Results," HB 2 boosts funding by \$3 billion over the 2006-07 biennium for total spending of \$36.5 billion. Every major education group said the money is insufficient to improve achievement among the state's 4.3 million students. On average, districts would see a 5 percent hike in funding.

Republican Bob Griggs, a former school superintendent, joined a host of Democrats in speaking against the bill.

"This bill is just plain 'ol junk food. It provides that sugar rush immediately but the funding falls apart after a very short time. It has no substance, no nutritional value," said Griggs of North Richland Hills.

The bill directs school districts to use 44 percent of their new state money on pay raises for teachers and some other personnel. It also contains money to reward teachers whose students improve on standardized tests.

"House Bill 2 attracts, motivates and retains the best educators," said Rep. Dianne Delisi, R-Temple.

The 134-page bill makes many other major changes. It would replace the high-school exit exam with a series of end-of-course exams. It would mandate on-line testing and require districts to start school after Labor Day.

School board elections would be held during November general elections, a change that supporters said would increase voter turnout but critics claimed could politicize the races.

The Legislature is under pressure to find a new way to pay for public schools. A state district judge in Travis County ruled last year in a lawsuit brought by more than 300 school districts that the state is insufficiently funding education in violation of the Texas Constitution requirement to provide a "general diffusion of knowledge."

Judge John Dietz set an Oct. 1 deadline for a new funding system. His ruling is being appealed to the Texas Supreme Court, but a decision is not expected until after the legislative session ends in late May.

Critics said HB 2 would provide about one-third of the funding that evidence presented in the trial indicated is needed.

Public Education Chairman Kent Grusendorf, R-Arlington, praised the HB 2 finance plan for not relying on increased taxes. Lawmakers plan to fund the new spending biennium by cutting other areas of the state budget.

House Democratic Caucus Chairman Jim Dunnam said the money will come from other programs for young Texans.

"Do we save the child in the public school or do we save the child who wants to go to college but can't afford it? Or do we save the child that's sick and can't afford to see the doctor? That's hardly a choice," said Dunnam, D-Waco.

Lawmakers worked through more than 100 amendments over two days, rejecting along party lines most of the changes offered by Democrats. A surprise was the decision by the author of HB 2 to accept the broad teacher pay raise.

Districts would be required to spend 44 percent of their new money to give raises to teachers, counselors, nurses and librarians.

The raises would vary by district but are expected to be around \$3,000.

The bill would offer no extra money for students from poverty-level homes and slightly more for students with limited English skills. It eliminates state funding for gifted and talented programs.

janet.elliott@chron.com

RESOURCES

- **Complete coverage:** See more stories and resources on the 79th Texas Legislature from the Houston Chronicle.