Texas' Largest School District Joins Fight to Strike Down School Finance System

HISD will join coalition of school districts challenging the constitutionality of Texas' school finance system

October 20, 2011 – The Houston Independent School District on Thursday joined the growing statewide movement to have Texas' school finance system declared unconstitutional.

The HISD Board of Education voted to authorize a lawsuit against the state on the grounds that Texas lawmakers have not met their constitutionally mandated obligation to adequately fund public education. The recently adopted state budget cuts education funding by \$5 billion over a two-year period. This funding cut comes at a time when Texas is adding 80,000 more students each year and lawmakers are holding school districts accountable for meeting the highest academic standards in state history.

HISD lost \$78 million in state funding this year and anticipates a \$122 million cut in 2012-2013. Last week, the Board of Education voted to hold HISD's property tax rate steady, maintaining HISD's status as having the lowest tax rate among the 21 school districts in Harris County.

"Raising local property taxes is not the solution," said HISD Board President Paula Harris. "We kept our tax rate low and shame on anyone in Austin who says 'We shouldn't have to fix school finance for Houston ISD because you're not raising taxes."

The lawsuit marks the seventh time in the past 30 years that Texas school districts have joined together to challenge the state's school finance system, said attorney David Thompson, whose Thompson & Horton law firm will represent HISD and many more districts.

"We are dramatically raising the standards more than at any time in the history of the state of Texas and we are simultaneously cutting funds," Thompson said. "It is time to ask our judiciary to once again be involved in this issue."

Thompson successfully argued the 2005 school finance lawsuit that resulted in the Texas Supreme Court striking down the previous funding system. At the time, the court warned that significant structural change to the state's school finance system was needed, writing that it "remain(ed) to be seen whether the system's predicted drift toward constitutional inadequacy (would) be avoided by legislative action to widespread calls for change."

Lawmakers responded to that ruling with a revised funding system that reduced school property taxes and sought to replace the lost revenue with an expanded business tax. The plan did not work.

Harris thanked the parents, HISD employees, and others who lobbied on behalf of Texas school children during the past legislative session.

"We have to take this step once again and protect our classrooms, protect our teachers, and most of all protect the children of the Houston Independent School District," Harris said of the lawsuit.

Trustee Juliet Stipeche agreed: "We've essentially been asked to make bricks without straw."

Stipeche added that some state lawmakers fought for adequate public education funding, but found themselves in the minority.

"There were many legislators who tried their best to make sure we weren't put in this situation," she said. "Thank you to the legislators who fought on behalf of Texas children."

HISD's share in the lawsuit's cost is expected to total \$65,000. The last time HISD participated in such a lawsuit, a judge ordered the state to reimburse the district's legal fees.

Many other Texas school boards, including those in Fort Bend and Pearland, have already agreed to participate in litigation against the state and many more are expected to do so in the coming weeks, Thompson said.

"This will be a broad and diverse coalition of school districts that will stand together and raise common concerns to seek a ruling to compel the Legislature to adequately fund public education, provide local discretion, and tie funding to the standards and requirements by the state," Thompson said.

The **Houston Independent School District** is the largest school district in Texas and the seventh-largest in the United States with 298 schools and more than 200,000 students. The 301-square-mile district is one of the largest employers in the Houston metropolitan area with nearly 30,000 employees.

For more information, visit the HISD Web site at www.houstonisd.org.