

AGENDA ITEM NO. **38**

**CITY OF SAN ANTONIO  
EXTERNAL RELATIONS DEPARTMENT  
CITY COUNCIL AGENDA MEMORANDUM**

**TO:** Mayor and City Council

**FROM:** Christopher J. Brady, Assistant City Manager

**SUBJECT:** Resolution of support for an equitable public school finance system

**DATE:** April 21, 2005

**SUMMARY AND RECOMMENDATION**

A resolution of support for a "fair and equitable" finance system for Texas public schools.

Staff recommends approval.

**BACKGROUND INFORMATION**

Inequities in the Texas public school finance system date back over a century. It is only in the last five decades that major court rulings and landmark legislation have tried to remedy concerns over what constitutes a "fair and equitable" public school system. In 1949, the state of Texas established the Minimum Foundation Program, a formula by which 80 percent of funding for public schools in Texas came from the state and the rest of the funding was to come from the local level.

The Minimum Foundation Program allowed local school districts to fund above the calculated state level. As a result, *Edgewood ISD v. Kirby* argued that students in poor districts received an inferior level of education compared to students who lived in wealthy school districts. By 1989, the courts had ruled the Texas system of financing public education to be unconstitutional.

In 1990, the Texas Legislature approved a new educational funding system, only to be ruled unconstitutional by the Supreme Court of Texas later that year. Three years later, the 1993 session of the Legislature enacted a law, dubbed the "Robin Hood" plan, which required school districts above a certain level of taxable wealth to transfer property tax revenue to poorer school districts. The Texas Supreme Court upheld this plan as constitutional. Ten years later, the state lawmakers established education finance as the top policy priority for the state, ensuring that no later than September 1, 2005, the Texas Legislature would replace the current funding system.

In April 2004, Governor Rick Perry called a Special Session of the 78<sup>th</sup> Legislature to address public school finance. This session ended without any agreement from both chambers as to reforming the system. In October 2004, Travis County District Judge John Dietz ruled the current system of public school finance unconstitutional. School finance reform has commanded the spotlight during this legislative session where lawmakers remain locked in discussion on how

to balance lowering property taxes with increased school funding. While the House has approved its version of school finance reform, the state Senate continues to deliberate on their own legislative proposal.

The changes to the current funding system could significantly impact San Antonio school districts. It is imperative that the City Council communicate to the Texas Legislature the importance of developing an equitable financing system that is favorable to all regions, and consequently all students of the state.

### **POLICY ANALYSIS**

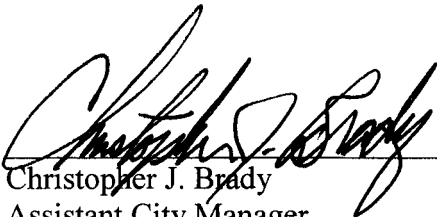
The ordinance is consistent with current City policy to advocate for legislation that is in the best interest of San Antonio and the surrounding area. The Intergovernmental Relations Committee considered this item during their meeting on March 24, 2005. The committee provided favorable review and directed staff to bring this item before the entire City Council for its consideration.

### **FINANCIAL IMPACT**


This item has no direct financial impact to the City.

### **COORDINATION**

This item has been coordinated with the City Attorney's Office.



Christopher J. Brady  
Assistant City Manager



J. Rolando Bono  
Interim City Manager

## **A RESOLUTION**

**A RESOLUTION ESTABLISHING THE CITY COUNCIL'S SUPPORT OF A FAIR AND EQUITABLE FINANCE SYSTEM FOR TEXAS PUBLIC SCHOOLS; ASKING THE TEXAS STATE LEGISLATURE TO PRIORITIZE EQUITY, AND IMPLORING THE LEGISLATURE TO EMBRACE A BIPARTISAN SPIRIT IN THE INTEREST OF CREATING A FUNDING MECHANISM EQUALLY FAVORABLE TO ALL REGIONS AND SOCIOECONOMIC GROUPS IN TEXAS.**

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### **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The Mayor and members of the City Council hereby resolve to support a fair and equitable school finance system to be adopted during the 79<sup>th</sup> Legislative Session of the Texas Legislature.

**SECTION 2.** The City Council of the City of San Antonio concurs that mere adequacy falls short of its equitable expectations; equity in our public schools is of grave importance and all means and capabilities of establishing equity should be explored. All Texas students deserve equal opportunity to learn with the same quality of facilities, materials and instruction, as defined in the Texas State Constitution as "an efficient system of public free schools."

**SECTION 3.** The City Council of the City of San Antonio also concurs that fruitful discourse and cooperation on behalf of all Texas students will occur only when partisan differences are set aside and the best interests of all Texas children become a priority to the Legislature. As such, we resolve to implore the Legislature to approve a school finance system that is fair, compassionate, and equitable among all socioeconomic backgrounds, so that funding our schools is not a burden that is borne by one economic sector of our state, but instead is a responsibility proudly shared by all Texans.