



Spring Branch Independent School District

Inspiring minds. Shaping lives.

WINTER 2023

Dear SBISD Taxpayers,

Since 2004, the state's school finance system has had a severe impact on SBISD's operations. The most recent changes under House Bill 3 (HB3), passed in 2019, provided only short-term relief. HB3 provided no adjustments for inflation or cost of education, which is more expensive in an urban area like Houston.

Most significantly, the state now takes, or recaptures, nearly 20 percent of your local tax dollars, with additional increases expected, putting SBISD on an unsustainable financial trajectory.

That's \$87 million this year alone that won't remain in SBISD for the benefit of your children.

The state will take nearly \$5 billion from 160 "recapture districts" in 2023, reducing its share of public education funding with little transparency about how those dollars are used. (There are over 1,000 Texas school districts.) **Under HB3, the state decides how much revenue per penny of tax rate we keep in SBISD for our students, effectively taking away the district's local control.**

We need further reform of the state's funding formulas for public education to meet the needs of SBISD children.

The 88th Legislative Session convened in January 2023, and we need the strong voices of our community to be heard in Austin.

Join us in our campaign to #FullyFundSBISD and advocate for:

- **Basic Allotment Increase** – to provide increases in the formula for the state's primary funding mechanism for public school districts. A \$1,000/student increase in the Basic Allotment saves SBISD \$41 million in recapture and increases state revenues by \$4.5 million.
- **Inflation Adjustment** – to provide automatic adjustment to account for increased cost of goods and services and payroll costs.
- **Cost of Education Adjustment** – to account for regional differences in the cost of doing business.
- **Early Recapture Payment Discount** – to provide districts the same early-payment benefit businesses receive for tax collections sent to the state.
- **Full Credit for Local Optional Homestead Exemption** – to provide SBISD full credit for reducing property taxes of our local taxpayers. If fully credited, this would reduce our recapture payment by \$5-\$7 million.

In 2011, the state reduced SBISD's funding by \$37 million, and the district was forced to eliminate 350 positions. This cannot happen again.

We are committed to meeting our community's expectation for excellence.

The state is budgeted to have a \$33+ billion surplus for the upcoming biennium. **We need the state to invest a substantial portion of those funds in public education – for Every Child. Your children deserve nothing less.**

Jennifer Blaine, Ed.D.

Superintendent of Schools

Help us **ADVOCATE** for change to the state funding formula for public education

This year, the state will take \$87 million of your local taxpayer funds.

Since 2014, the state has taken \$472 million from SBISD through recapture.

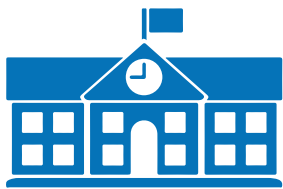
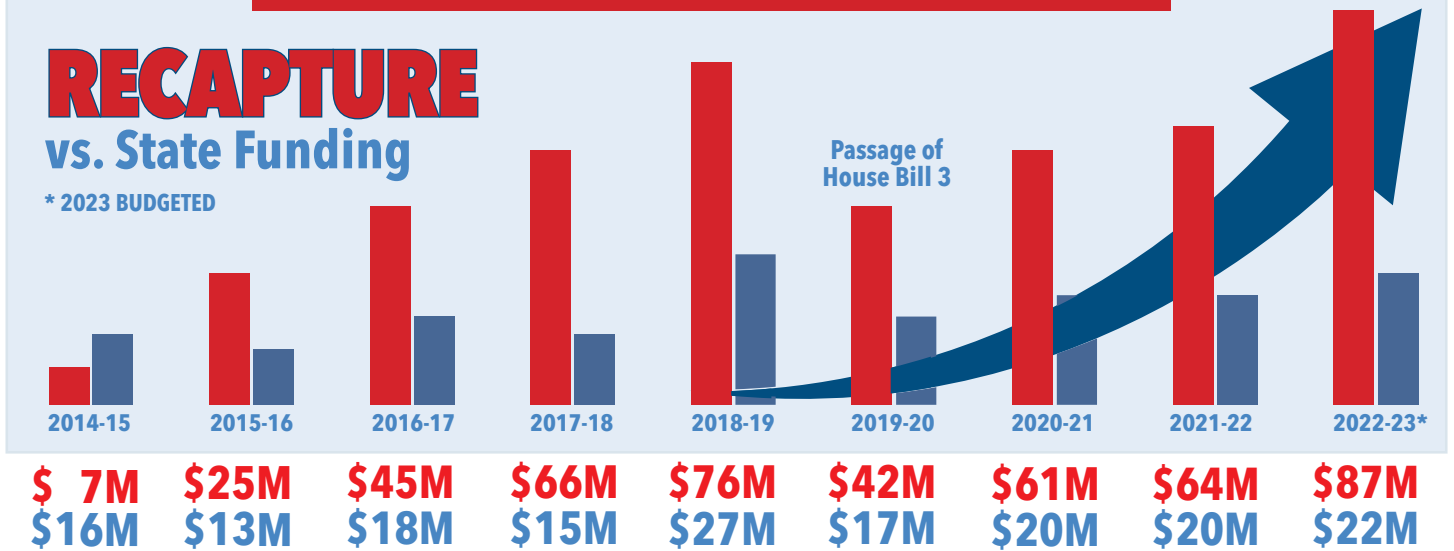
SBISD has only received \$168 million from the state.

TAKEN BY THE STATE = \$472M

\$86.7M

RECAPTURE vs. State Funding

* 2023 BUDGETED



Our **SCHOOLS:**

HOW MUCH PER SCHOOL DOES THE STATE TAKE?

\$1.3M

APPROX. PER ELEMENTARY

\$2.7M

APPROX. PER MIDDLE SCHOOL

\$5.2M

APPROX. PER HIGH SCHOOL



Our **STUDENTS:**

HOW MUCH PER STUDENT DOES THE STATE TAKE?

\$2,577

The state considers SBISD "property wealthy" even though **57% of students are economically disadvantaged.**

SBISD is the **39th largest district in Texas**; yet pays the **10th highest recapture payment.**

ADVOCATE FOR:

Basic Allotment Increase

Automatic Inflation Adjustment

Cost of Education Adjustment

Early Recapture Payment Discount

Full Credit for Local Optional Homestead Exemption

We cannot have a repeat of 2011 in SBISD!

SBISD lost **\$37 million** in state funding and had to **eliminate 350 positions.**

Advocate for your children and our schools.

Learn more at: www.springbranchisd.com/schoolfinance