

Increase the Basic Allotment

The Texas public school funding formula has remained unchanged since 2019, despite record inflation. Districts now face unsustainable costs, including a 200% increase in insurance and nearly 40% higher utility expenses. An adjustment for inflation would increase the Basic Allotment by approximately **\$1,000 per student, per year**. This adjustment to the Basic Allotment should be indexed to automatically increase with the rate of inflation going forward.

Additionally, Carroll ISD is urging the legislature to adjust the funding formula to incorporate adjustments for districts in high-cost areas, where the cost of educating students and operating a school district is significantly higher than other areas.

Fund Underfunded Mandates

Underfunded mandates require districts to implement state-mandated programs without adequate funding to do so, placing a significant strain on local budgets and often diverting resources from other educational needs. Carroll ISD is calling on the legislature to fully fund these mandates so that districts can fulfill state requirements without compromising the quality of education or other vital services for students.

One area of significant impact is Special Education, which is underfunded by **\$4 million** each year at CISD. While these services are essential, schools need additional state funding to meet growing student needs and to comply with state implementation requirements.

Additionally, providing flexibility in how mandates are executed—such as allowing STAAR testing on personal devices—would empower districts to implement these programs in ways that best suit their unique needs.

Reform Recapture

Recapture was originally intended to ensure equal funding for all students, but it has grown exponentially, now taking an average of \$3.3 billion in property taxes from Texas school districts annually. This shift has made it difficult for districts like Carroll ISD to meet even the basic needs of their students. This year, CISD alone is expected to send over \$25 million in local property tax dollars back to the state. CISD is now funded at the bottom in the state due to the state funding formula and receives **\$8,163** per student yearly (after all weighted adjustments) vs the state average of nearly **\$10,000**. The weighting and Recapture formulas are no longer providing equal funding for all students as the program initially intended.

We urge the legislature to reform Recapture, allowing affected districts to retain enough local revenue to reach the state average per-pupil funding before any excess is redistributed.