



- **Substantially increase the BA (Basic Allotment) & provide annual adjustments for inflation.**
 - With the state experiencing surplus budgets, there is zero reason the BA has remained stagnate at \$6,160 for the past several sessions.
 - It is time for the legislature to provide a **substantial increase** to the BA **and** **annual inflationary adjustments** by creating a BA adjustment factor based on a sliding 10-year average of the Texas CPI.
- **Fully provide funding and resources to ensure safe schools for all children, regardless of their zip code.**
 - Adequate funding for student safety for all children is a must and **should be completely funded by the state**. Every campus in the state, regardless of size, should be guaranteed adequate state funding to provide appropriate school safety personnel on every campus.
 - Because it is a **statewide** security issue, much like DPS, it should be funded outside the school finance formulas with its **own funding stream from state revenues**, so it is not dependent on a local district's property wealth.
- **Increase funding for the small and mid-sized school allotments to account for additional challenges these schools face.**
 - With statewide teacher shortages, competition for recruiting and retaining a strong education and support staff is increasingly difficult for small and mid-sized school districts. Increasing funding for the small and mid-sized allotment will help adjust for these and other variables that impact district's costs in educating students across the state.
- **Use current year tax Collections to determine the school district share of formula funding.**
 - The state currently determines the local share of formula funding based on a hold-over from pre-HB 3 school finance legislation. As result, it calculates a local share in excess of what most school districts can collect in any given year. This results in most school districts **not being able to access the full Tier 1 and Tier 2 entitlements they qualify for under the current formula**.
 - Given reasonable constraints to encourage districts to continually work towards collecting all due taxes, a school district's **actual collections** for the year should be used as the local share and state aid should be used to provide what is necessary to fully fund the district's entitlements.
- **Substantially increase the state share of funding for I&S (Interest & Sinking or Bonded Debt Payments).**
 - Every penny the state spends to help school districts pay off bonded debt **is tax rate reduction**.
 - The state needs to dramatically increase the yield per ADA (student in average daily attendance) for IFA and EDA funding. Similar to how the state tied Tier 2 Golden Penny yields to 160% of the BA (in HB3), the state should do the same for IFA and EDA.
 - Between 2000 and 2022, the state's investment to help school districts pay bonded debt dropped from \$600 million covering 34% of bonded debt that initial year to a dismal \$200 million covering only 2.5% of bonded debt statewide.