Gov. Rick Perry's Remarks Regarding Educational Excellence and Property Tax Relief

*Note - Gov. Perry frequently departs from prepared remarks.

Wednesday, April 14, 2004

Thank you Principal (Charlie) Michel. I am delighted to be joined by you, Dr. Betty Baitland, school board members, and the students, faculty and parents of Dulles Middle School. Since the implementation of the divisive Robin Hood school financing scheme more than a decade ago, the brightest minds in Texas have pondered a permanent solution. The time for pondering is over, the time for action is now.

In six days, legislators will return to Austin for a special session on educational excellence and property tax relief. Texans want a significant property tax cut, a more equitable school funding system, and more money for education as well as more education for their money. And I am asking legislators to come to Austin to do the will of our people.

From 1993 to 2002, school property taxes increased 26 cents for every $100 of assessed value. If Texas legislators pass into law my property tax cut, they can reverse nearly a decade’s worth of school property tax rate increases with just one vote!

Texans have seen their property taxes go through the roof because of skyrocketing appraisals. Many school districts are capped in terms of the local revenue they can raise, and many of those districts have seen their local tax dollars spent somewhere else. I offered a permanent solution in the plan I unveiled last week. It provides permanent tax relief because it controls appraisals and property tax levies, and locks into the constitution permanent property tax reductions that will continue until the maximum property tax rate is cut in half. It allows local residential property tax dollars to be kept in local communities to be spent on local schools, meaning the era of Robin Hood will come to an end. And it provides $2.5 billion in new money, including $1 billion in performance incentives that will focus our schools on maximum achievement, not just minimum standards.

For Fort Bend ISD, my proposal will provide an infusion of more than $18 million in new funding. These dollars are in addition to our commitment to fund enrollment growth, a commitment not viewed lightly in a fast-growth area like Fort Bend County.

My plan provides an annual tax cut of $418 for the owner of an average-priced home. It provides an average increase of $375 for every child we educate in public schools. And it makes education funding more equitable than it is today.
Today under Robin Hood, according to some estimates 85 percent of students are enrolled in school districts that spend a similar amount of money per pupil regardless of a community’s property wealth. Under my plan, the system will be 98 percent equalized.

I am open to suggestions and new ideas about solving the school finance puzzle, because the Legislature has a lot of bright minds and committed public servants who share my goal of making public education the best it can be. As we look for a permanent solution to the school finance challenge, we should not confuse the biggest price tag with the best value for taxpayers. Job losses and an economic slowdown will result from a major tax hike. That’s exactly the kind of permanent solution we can not accept.

I have offered a long-term solution that preserves the job climate, provides an additional $375 for every child we educate, improves funding equity, and gives virtually all homeowners and the vast majority of employers property tax relief.

The past months leading up to this special session made one thing clear; that regardless of party or philosophy, there is great consensus among legislators, educators, employers and families that the current school funding system is outdated and unworkable. Property taxes are too high. And fast action is needed to help our taxpayers and our schoolchildren.

We agree on many of the broad goals, but there is nothing like the certainty of a session to bring greater consensus on the details. I can’t promise our work will be done in one session, two or three, but I can promise this: we won’t fail simply because we refused to try. As a famous athlete once said, “you miss 100 percent of the shots you never take.” Now it is time to take our best shot.

There may be a temptation for partisan tensions to surface during this important special session. But partisan bitterness can have no place in this debate.

For this noble effort to succeed, we need undivided focus and good-faith efforts from Republicans and Democrats in both legislative bodies. Partisan bickering will not improve the education of one Texas child, or lower the property tax burden of one Texas homeowner.

Starting April 20th, legislators have a chance to make a lasting mark by increasing education spending by $2.5 billion, eliminating Robin Hood while making the funding system more equitable, and taking a bite out of the property tax burden of millions of homeowners and employers. They must succeed because what is at stake is nothing less than our future as a state, and the destiny of 4.2 million schoolchildren.

We will roll up our sleeves…we will burn the midnight oil…and we won’t rest until our work is done. Thank you.