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OF THE

STATE OF TEXAS

BEGUN AND HELD AT

THE CITY OF AUSTIN

NOVEMBER 10, 1992

ADDRESS BY GOVERNOR ANN W. RICHARDS

(The House of Representatives and the Senate in Joint Session)

In accordance with the provisions of **HCR 2,** providing for a joint session of the senate and the house of representatives at 1:30 p.m. today, for the purpose of hearing an address by the Honorable Ann W. Richards, Governor of the State of Texas, Lieutenant Governor Bob Bullock, and the honorable senators were announced at the door of the house and were admitted.

The senators occupied seats arranged for them.

Lieutenant Governor Bullock was escorted to a seat on the speaker's rostrum.

At 1:30 p.m., the Honorable Ann W. Richards, Governor of the State of Texas, escorted by Senators Tejeda, chair, Green, Johnson, Lyon, and Truan, committee on the part of the senate; and Representatives Glossbrenner, chair, Blair, A. Hill, Martinez, and Watkins, committee on the part of the house, was announced at the door of the house and, being admitted, was escorted to the speaker's rostrum.

Lieutenant Governor Bullock called the senate to order.

A quorum of the senate was announced present.

Lieutenant Governor Bullock notified Governor Richards and Speaker Lewis that the senate is organized and prepared to transact business.

The Honorable Gibson D. Lewis, Speaker of the House, called the house of representatives to order.

A quorum of the house was announced present.

Speaker Lewis notified Governor Richards and Lieutenant Governor Bullock that the house is organized and prepared to transact business.

Speaker Lewis stated that the two houses were in joint session pursuant to **HCR 2** for the purpose of hearing an address by the Honorable Ann W. Richards.

Speaker Lewis introduced Ann W. Richards, Governor of the State of Texas, to the joint session.

Governor Richards then addressed the joint session, speaking as follows:

I am delighted to welcome you back to Austin for what we all hope will be a brief and productive visit.

This legislature has been called into special session to consider the matter of school finance.

There has been speculation about my intention to submit interim appointments to the senate.

The law requires that they be submitted if the session lasts more than 10 days . . . and I will comply with the law.

But financing the public schools is our priority and our reason for being here.

I want to begin today by reading a statement about school finance in another state:

"When I was a boy on the Mississippi River there was a proposition in a township to discontinue public schools because they were too expensive.

An old farmer spoke up and said if they stopped the schools they would not save anything, because every time a school was closed a jail had to be built."

That story was told at the Public Education Association meeting of 1900 by a speaker named Sam Clemens—better known to you as Mark Twain.

He was 65 years old at the time.

So you can figure that the meeting he was talking about dates back about a hundred and fifty years . . . and teaches us that, as far as school finance is concerned, there is not much new to say.

Public schools are expensive . . . but closing them is even more expensive.

And we meet today under the very real threat of closing our public schools.

The district court—which consistently has the support of the higher courts—has told us plain and simple that we have until June the first of 1993 to come up with a satisfactorily equitable system of school funding.

When asked what would happen if the court is not satisfied, the judge replied, "Why not just shut down the schools?"

You can't get much more direct than that.

And there is no particular mystery about how we can satisfy the courts.

We have four options.

One, we could create a totally new tax.

The lieutenant governor will tell you that that idea was tried and found wanting in the court of public and legislative opinion.

Two, we could consolidate school districts.

Speaker Lewis had the courage to advance that proposal . . . which, as he is the first to admit, was not greeted with enthusiasm.

Three, we could find a new way to collect existing taxes.

I offered that plan, but we could not find the necessary support.

Or number four, we can recapture revenue.

Now there has been another option suggested: changing the constitution so that the legislature can determine at any point what it deems equitable.

Frankly, how ever you feel about that option, I don't think it has a chance of approval by the voters.

So, while recapture is the only politically feasible alternative we have—and we all need to admit it . . . the courts have consistently ruled that it is in conflict with the constitution.

The constitutional amendment that we are proposing remedies that conflict.

The amendment creates a constitutional standard of 95 percent equity that is clear and precise—not a moveable target.

It abolishes the county education districts.

It helps all school districts by converting 750 million dollars in state bonds for the construction of new school facilities.

It injects more accountability into the public schools by setting aside a fund to reward school districts that do well and assisting those who do not.

And it allows recapture.

Once the amendment has passed this legislature, we can move on to the enabling legislation.

But I want to be sure you understand one important point—and the speaker, the lieutenant governor, and I are in firm agreement on this: passage of the amendment is the paramount concern.

We must move it on to the voters, so that they have time to have their say without getting us into another game of "Beat the Clock" with the courts.

We are brought to this point by the courts and this is the only way we know to get the courts out of our school system.

Once the amendment is passed, any number of versions of enabling legislation can be offered.

The biggest problem in developing a new school financing plan is that everyone wants to compare dollar amounts to Senate Bill 351.

But 351 has been declared unconstitutional by the courts and it ceases to exist on June the first of next year.

We have to face reality . . . and so do the local districts.

We will not know how much money we have to spend on the schools or other essential programs until we receive the comptroller's estimate at the beginning of the regular session in January.

There is literally no way of knowing for a certainty how much each district will receive under any plan.

And, the assumption that local districts must raise taxes based on a series of "what ifs" . . . and I would remind you that this legislature, this governor, the school boards, and the superintendents are serving the same taxpayers.

We have a common tax base and we have a common responsibility.

Education is no longer purely a local matter.

As the lieutenant governor reminded us, "a child reared and educated in the Rio Grande Valley is as likely to live and work in Dallas as he is to stay home . . . and one day, you are just as likely to see a high school dropout from Lubbock make his way to Beaumont to commit a crime."

And I must add that we are kidding ourselves if we think the IBMs and Apples and Southwestern Bells of the world are going to continue to locate in Texas if we allow the courts to close our schools . . . and let this crisis continue to drag on.

The taxpayers that we serve want the jobs that new businesses will bring . . . and school districts must have a growing tax base.

They all care about education in this state.

They want schools they can be proud of . . . but they also want us to understand that government isn't the only one with budget problems.

They are telling us that, in this economy, they are paying all the taxes they can stand.

And it is time for us—<u>all</u> of us—to listen.

With or without the Fair Share Plan, the school boards and superintendents will be facing hard decisions . . . but they are no more difficult than the ones we will be facing January.

We may be facing the prospect of not funding the growing case load in basic health and human services programs.

We may face the possibility of eliminating whole programs or entire agencies.

I would seriously urge school administrators to examine every way possible to reduce spending . . . because that is what we are going to have to do.

Over the last 10 years, we have doubled state spending on the public schools while enrollment has grown 18 percent.

As my friend Bob Bullock says, I don't know anyone who was elected pledging to pass a tax bill.

If you don't want a tax bill, passage of this amendment is the first step.

And passage of the enabling legislation is step two.

I began these remarks today by quoting Mark Twain from 92 years ago.

Twain spoke at the beginning of a new century.

And we find ourselves very near the same awesome benchmark.

We have spent the last quarter of this century arguing about a mathematical representation of equity and quality in education.

We have the opportunity in this session to lay the framework to end that argument . . . and move on to what truly matters to our children and our future.

The decisions that we make here can be remembered as just another failed effort in a long-running argument . . . or this session, the members on the floor today can be remembered as the ones who laid the cornerstone for Texas schools in the 21st century.

The speaker, the lieutenant governor, and I have done all we can do.

Now it is up to you.

Let's be done with this issue . . . and be on our way.

God be with you as you undertake your deliberations.

SENATE ADJOURNS

At 1:49 p.m., Lieutenant Governor Bullock stated that the business of the joint session had been accomplished and that the senate would, in accordance with a previous motion, stand adjourned until 12 p.m. tomorrow.