

Testimony Before the Senate Education Committee
In Support of Senate Bill 587

March 26, 2009

Karen G. Rue, Ed.D.
Superintendent, Northwest Independent School District and
Chair, Fast Growth School Coalition

Madam Chair and Committee Members:

My name is Karen Rue and I am Superintendent of the Northwest Independent School District located north of Fort Worth and Chair of the Fast Growth School Coalition. The Coalition represents the interests of 111 school districts that enroll 1.9 million of the state's 4.6 million public school students. These 111 districts grew by about 392,000 students between the 2002-03 and 2007-08 school years, averaging about a 25 percent increase per district over the five-year period. (A list of these districts is included is attached.) The state as a whole grew by about 383,000 students over the same five years, so virtually all of the enrollment growth in Texas is occurring in school districts represented by the Fast Growth School Coalition.

I am here this morning to speak in support of Senate Bill 587, which makes school district bonds issued in the last two years eligible for state support under the Existing Debt Allotment (EDA) program. Based on the fiscal note accompanying the bill, this measure will result in additional state support of \$69.8 million over the next two years. This program will help moderate-wealth, fast-growing districts reduce their I&S tax rates. Our understanding is that Senate Bill 1, the General Appropriations Act to be considered by the Senate next week, includes the necessary funding for this measure, as well as \$75 million for the Instructional Facilities Allotment (IFA) for grants targeted toward the debt service expenses of property-poor districts, some of which are fast-growing districts. We want to thank you for your continued support for these programs.

One concern among fast-growth districts is that even with the state support through the EDA and IFA programs, the I&S tax rates for fast-growth districts now average \$0.30 per \$100 of taxable value, compared with \$0.186 per \$100 for non-fast-growth districts, almost a 12-cent disadvantage.

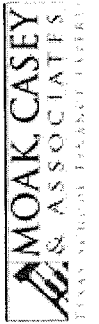
One problem that we hope can be addressed soon is the fact that the \$35 yield per ADA for the EDA and IFA programs has been held at that level for a decade now. When the \$35 yield was adopted, 90 percent of Texas public school students attended schools in district eligible for state EDA and IFA support. Our current estimate is that only 57 percent of our students will be attending school in districts eligible for state support in the 2009-10 school year.

In terms of total state support, EDA and IFA state support covered 25 percent of total debt service payments made by all school districts in the 2004-05 school year. For the 2007-08 school year, this percentage slipped to 18 percent. It will continue to decrease unless the yield level is addressed.

I appreciate having the opportunity to appear before you today and want to thank you for bringing Senate Bill 587 forward for consideration. Please feel free to call upon me in my capacity as Superintendent of Northwest ISD and Chair of the Fast Growth School Coalition if we can be of assistance in your future deliberations on facilities and other fast-growth issues.

FAST GROWTH DISTRICTS 2002-03 TO 2007-08

District Number	District Name	County Name	Target Revenue per WADA	Enroll 2003-04	Enroll 2007-08	Difference 2007-08	2007-08 Growth	2008 M&O Rate	2008 I&S Rate
008902	SEALY ISD	AUSTIN COUNTY	\$ 4,947	2,384	2,598	254	10.8%	\$0.9800	\$0.2400
011901	BASTROP ISD	BASTROP COUNTY	\$ 4,776	7,565	8,538	1,284	17.7%	\$1.0400	\$0.4410
011902	ELGIN ISD	BASTROP COUNTY	\$ 4,708	3,084	3,713	643	20.9%	\$1.0400	\$0.4400
014903	BELTON ISD	BELL COUNTY	\$ 4,804	7,114	8,314	1,355	19.5%	\$1.1700	\$0.2410
014906	KILLEEN ISD	BELL COUNTY	\$ 4,667	32,583	38,229	6,971	22.3%	\$1.0312	\$0.1100
015909	SOMERSET ISD	BEXAR COUNTY	\$ 4,737	3,284	3,554	400	12.7%	\$1.0400	\$0.1650
015910	NORTH EAST ISD	BEXAR COUNTY	\$ 5,350	56,298	62,181	7,128	12.9%	\$1.0400	\$0.3629
015911	EAST CENTRAL ISD	BEXAR COUNTY	\$ 4,862	7,917	8,807	862	10.8%	\$1.0400	\$0.2795
015912	SOUTHWEST ISD	BEXAR COUNTY	\$ 5,015	9,684	10,983	1,343	13.9%	\$1.0400	\$0.1700
015915	NORTHSIDE ISD	BEXAR COUNTY	\$ 5,055	71,798	86,260	16,851	24.3%	\$1.0400	\$0.2625
015916	JUDSON ISD	BEXAR COUNTY	\$ 4,856	17,981	20,634	3,007	17.1%	\$1.0400	\$0.4250
019907	TEXARKANA ISD	BOWIE COUNTY	\$ 4,757	5,719	6,448	813	14.4%	\$1.1700	\$0.1690
020901	ALVIN ISD	BRAZORIA COUNTY	\$ 5,230	12,131	15,329	3,573	30.4%	\$1.0400	\$0.2882
020908	PEARLAND ISD	BRAZORIA COUNTY	\$ 4,891	13,096	17,090	4,855	39.7%	\$1.0400	\$0.3794
021901	COLLEGE STATION ISD	BRAZOS COUNTY	\$ 5,609	7,931	9,204	1,515	19.7%	\$1.0001	\$0.2210
031901	BROWNSVILLE ISD	CAMERON COUNTY	\$ 4,622	45,923	48,837	4,497	10.1%	\$1.0191	\$0.0732
031905	LA FERIA ISD	CAMERON COUNTY	\$ 4,568	2,899	3,355	515	18.1%	\$1.0400	\$0.3000
031906	LOS FRESNOS CONS ISD	CAMERON COUNTY	\$ 4,761	7,510	9,108	1,862	25.7%	\$1.0400	\$0.1600
031912	SAN BENITO CONS ISD	CAMERON COUNTY	\$ 4,579	9,886	11,044	1,434	14.9%	\$1.0400	\$0.2649
036902	BARBERS HILL ISD	CHAMBERS COUNTY	\$ 6,785	3,020	3,708	763	25.9%	\$1.0601	\$0.2698
043901	ALLEN ISD	COLLIN COUNTY	\$ 5,171	13,864	17,102	4,517	35.9%	\$1.0400	\$0.4303
043905	FRISCO ISD	COLLIN COUNTY	\$ 5,454	13,411	27,418	16,273	146.0%	\$1.0000	\$0.3700
043907	MCKINNEY ISD	COLLIN COUNTY	\$ 5,469	16,663	22,426	7,147	46.8%	\$1.0400	\$0.4770
043911	PRINCETON ISD	COLLIN COUNTY	\$ 4,697	2,254	2,674	427	19.0%	\$1.0400	\$0.4500
043912	PROSPER ISD	COLLIN COUNTY	\$ 7,194	1,431	2,675	1,431	115.0%	\$1.1700	\$0.5000
043914	WYLIE ISD	COLLIN COUNTY	\$ 4,984	6,661	10,743	5,033	88.1%	\$1.1700	\$0.3400
043919	LOVEJOY ISD	COLLIN COUNTY	\$ 7,170	993	2,501	1,599	177.3%	\$1.0400	\$0.4750
046901	NEW BRAUNFELS ISD	COMAL COUNTY	\$ 5,014	6,360	7,359	1,074	17.1%	\$1.0133	\$0.3255
046902	COMAL ISD	COMAL COUNTY	\$ 5,461	11,989	15,151	3,846	34.0%	\$1.0400	\$0.2700



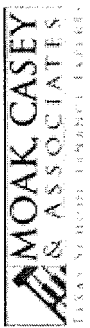
FAST GROWTH DISTRICTS 2002-03 TO 2007-08

District Number	District Name	County Name	Target Revenue per WADA	Enroll 2003-04	Enroll 2007-08	Difference 2007-08	2002-03 & 5 Year % Growth	2008 M&O Rate	2008 I&S Rate
057906	DESOTO ISD	DALLAS COUNTY	\$ 4,679	7,651	8,889	1,297	17.1%	\$1.0400	\$0.4700
057907	DUNCANVILLE ISD	DALLAS COUNTY	\$ 4,678	11,368	12,467	1,511	13.8%	\$1.0400	\$0.3780
057910	GRAND PRAIRIE ISD	DALLAS COUNTY	\$ 4,638	22,132	25,317	3,735	17.3%	\$1.0400	\$0.4250
057913	LANCASTER ISD	DALLAS COUNTY	\$ 4,762	4,754	6,243	1,925	44.6%	\$1.0347	\$0.3780
061901	DENTON ISD	DENTON COUNTY	\$ 5,737	15,951	20,892	5,743	37.9%	\$1.0400	\$0.4500
061902	LEWISVILLE ISD	DENTON COUNTY	\$ 5,461	44,024	49,636	6,514	15.1%	\$1.0400	\$0.3400
061908	SANGER ISD	DENTON COUNTY	\$ 4,946	2,150	2,571	408	18.9%	\$1.0400	\$0.3300
061911	NORTHWEST ISD	DENTON COUNTY	\$ 6,460	6,917	11,898	5,687	91.6%	\$1.0000	\$0.3350
061912	LAKE DALLAS ISD	DENTON COUNTY	\$ 4,813	3,578	3,978	518	15.0%	\$1.1700	\$0.4800
061914	LITTLE ELM ISD	DENTON COUNTY	\$ 5,049	3,484	5,409	2,420	81.0%	\$1.0400	\$0.4900
070908	MIDLOTHIAN ISD	ELLIS COUNTY	\$ 5,260	5,396	6,830	1,740	34.2%	\$1.0400	\$0.3675
070912	WAXAHACHIE ISD	ELLIS COUNTY	\$ 5,201	5,859	6,561	749	12.9%	\$1.0400	\$0.3200
071901	CLINT ISD	EL PASO COUNTY	\$ 4,679	8,564	10,522	2,306	28.1%	\$1.0401	\$0.2950
071907	CANUTILLO ISD	EL PASO COUNTY	\$ 4,903	4,830	5,652	937	19.9%	\$1.0400	\$0.2521
071909	SOCORRO ISD	EL PASO COUNTY	\$ 4,623	32,241	38,878	8,800	29.3%	\$0.9656	\$0.2226
079901	LAMAR CONSOLIDATED ISD	FORT BEND COUNTY	\$ 5,333	17,864	21,936	4,873	28.6%	\$1.0201	\$0.2776
079907	FORT BEND ISD	FORT BEND COUNTY	\$ 4,871	61,248	67,992	8,503	14.3%	\$1.0400	\$0.2300
084901	DICKINSON ISD	GALVESTON COUNTY	\$ 4,959	6,539	8,228	1,933	30.7%	\$1.0400	\$0.4600
084910	CLEAR CREEK ISD	GALVESTON COUNTY	\$ 5,365	32,810	36,314	4,388	13.7%	\$1.0400	\$0.3200
094902	SCHERTZ-CIBOLO-U CITY ISD	GUADALUPE COUNTY	\$ 5,121	7,257	10,358	3,640	54.2%	\$1.0400	\$0.3450
100907	LUMBERTON ISD	HARDIN COUNTY	\$ 4,781	3,466	3,769	417	12.4%	\$1.0400	\$0.0900
101902	ALDINE ISD	HARRIS COUNTY	\$ 4,962	56,292	60,083	4,716	8.5%	\$1.1334	\$0.1586
101905	CHANNELVIEW ISD	HARRIS COUNTY	\$ 4,687	7,451	8,428	1,165	16.0%	\$1.0219	\$0.2163
101906	CROSBY ISD	HARRIS COUNTY	\$ 4,962	4,278	4,884	764	18.5%	\$1.0400	\$0.3000
101907	CYPRESS-FAIRBANKS ISD	HARRIS COUNTY	\$ 4,509	74,877	96,837	25,672	36.1%	\$1.0400	\$0.3100
101913	HUMBLE ISD	HARRIS COUNTY	\$ 4,938	27,009	32,970	6,945	26.7%	\$1.1700	\$0.3500
101914	KATY ISD	HARRIS COUNTY	\$ 5,258	42,116	54,402	14,538	36.5%	\$1.1266	\$0.4000
101915	KLEIN ISD	HARRIS COUNTY	\$ 4,806	35,558	42,935	7,580	21.4%	\$1.0400	\$0.2700
101917	PASADENA ISD	HARRIS COUNTY	\$ 4,703	46,142	50,757	5,921	13.2%	\$1.0700	\$0.2800



FAST GROWTH DISTRICTS 2002-03 TO 2007-08

District Number	District Name	County Name	Target		Difference		2007-08 Growth	2008 M&O Rate	2008 I&S Rate
			Revenue per WADA	Enroll 04	Enroll 08	2007-08			
101919	SPRING ISD	HARRIS COUNTY	\$ 4,830	26,768	33,249	7,757	30.4%	\$1.0400	\$0.4200
101921	TOMBALL ISD	HARRIS COUNTY	\$ 5,783	8,415	9,388	1,282	15.8%	\$1.0100	\$0.3500
101924	SHELDON ISD	HARRIS COUNTY	\$ 6,180	4,539	5,811	1,628	38.9%	\$1.0400	\$0.3900
101925	HUFFMAN ISD	HARRIS COUNTY	\$ 4,820	2,869	3,092	334	12.1%	\$1.0400	\$0.4300
105904	DRIPPING SPRINGS ISD	HAYS COUNTY	\$ 5,669	3,280	4,023	716	21.7%	\$1.0400	\$0.4500
105906	HAYS CONS ISD	HAYS COUNTY	\$ 5,436	9,052	13,047	4,384	50.6%	\$1.0400	\$0.4213
108902	DONNA ISD	HIDALGO COUNTY	\$ 4,647	11,700	14,031	3,086	28.2%	\$1.0400	\$0.1600
108904	EDINBURG CISD	HIDALGO COUNTY	\$ 4,813	25,373	29,858	5,758	23.9%	\$1.0400	\$0.1498
108905	HIDALGO ISD	HIDALGO COUNTY	\$ 4,638	3,157	3,396	360	11.9%	\$1.0400	\$0.3100
108908	MISSION CONS ISD	HIDALGO COUNTY	\$ 4,668	14,094	15,595	1,793	13.0%	\$1.0400	\$0.2000
108909	PHARR-SAN JUAN-ALAMO ISD	HIDALGO COUNTY	\$ 4,691	26,493	29,999	4,789	19.0%	\$1.0400	\$0.2310
108911	SHARYLAND ISD	HIDALGO COUNTY	\$ 4,969	6,751	8,897	2,661	42.7%	\$1.0400	\$0.1450
108912	LA JOYA ISD	HIDALGO COUNTY	\$ 4,730	21,765	26,109	5,741	28.2%	\$1.0400	\$0.2816
108913	WESLACO ISD	HIDALGO COUNTY	\$ 4,556	14,977	16,188	1,565	10.7%	\$1.0107	\$0.1290
108916	VALLEY VIEW ISD	HIDALGO COUNTY	\$ 4,697	2,956	4,356	1,661	61.6%	\$1.0400	\$0.2770
126902	BURLESON ISD	JOHNSON COUNTY	\$ 4,811	7,279	9,047	2,184	31.8%	\$1.0400	\$0.4288
129902	FORNEY ISD	KAUFMAN COUNTY	\$ 4,981	3,805	7,015	3,665	109.4%	\$1.0400	\$0.4200
130901	BOERNE ISD	KENDALL COUNTY	\$ 5,686	5,380	6,250	1,078	20.8%	\$1.0400	\$0.2900
152906	LUBBOCK-COOPER ISD	LUBBOCK COUNTY	\$ 4,959	2,408	3,081	787	34.3%	\$1.0400	\$0.2450
152907	FRENSHIP ISD	LUBBOCK COUNTY	\$ 4,856	5,506	6,704	1,220	22.2%	\$1.0401	\$0.4600
161903	MIDWAY ISD	MCLENNAN COUNTY	\$ 5,372	5,881	6,404	618	10.7%	\$1.0400	\$0.2800
170902	CONROE ISD	MONTGOMERY COUNTY	\$ 5,103	39,246	46,524	8,508	22.4%	\$1.0400	\$0.2300
170903	MONTGOMERY ISD	MONTGOMERY COUNTY	\$ 5,553	4,640	6,094	1,916	45.9%	\$1.0400	\$0.3100
170904	WILLIS ISD	MONTGOMERY COUNTY	\$ 5,020	4,741	5,945	1,305	28.1%	\$1.0400	\$0.3300
170906	MAGNOLIA ISD	MONTGOMERY COUNTY	\$ 4,994	9,135	11,051	2,494	29.1%	\$1.0400	\$0.3600
170907	SPLENDORA ISD	MONTGOMERY COUNTY	\$ 4,653	3,135	3,378	356	11.8%	\$1.0400	\$0.4700
170908	NEW CANEY ISD	MONTGOMERY COUNTY	\$ 4,861	7,282	8,676	1,641	23.3%	\$1.0400	\$0.4000
178914	FLOUR BLUFF ISD	NUECES COUNTY	\$ 5,090	5,066	5,582	591	11.8%	\$1.0400	\$0.0295
184907	ALEDO ISD	PARKER COUNTY	\$ 5,630	3,495	4,444	1,032	30.2%	\$1.0400	\$0.3852



FAST GROWTH DISTRICTS 2002-03 TO 2007-08

District Number	District Name	County Name	Target Revenue per WADA	Enroll 2003-04	Enroll 2007-08	Difference 2007-08 2002-03 & 5 Year % Growth	2007-08 Rate	2008 I&S Rate
199901	ROCKWALL ISD	ROCKWALL COUNTY	\$ 5,759	10,096	13,064	3,448 35.9%	\$1.0400	\$0.4300
199902	ROYSE CITY ISD	ROCKWALL COUNTY	\$ 5,086	2,694	4,144	1,650 66.2%	\$1.0400	\$0.3900
212903	LINDALE ISD	SMITH COUNTY	\$ 4,864	3,109	3,491	449 14.8%	\$1.0600	\$0.2450
220904	EVERMAN ISD	TARRANT COUNTY	\$ 4,628	3,832	4,746	901 23.4%	\$1.0400	\$0.3200
220907	KELLER ISD	TARRANT COUNTY	\$ 4,909	21,803	29,458	9,349 46.5%	\$1.0400	\$0.3769
220908	MANSFIELD ISD	TARRANT COUNTY	\$ 4,736	21,060	29,696	10,534 55.0%	\$1.0400	\$0.4100
220910	LAKE WORTH ISD	TARRANT COUNTY	\$ 5,009	2,392	2,853	697 32.3%	\$1.1700	\$0.4950
220912	CROWLEY ISD	TARRANT COUNTY	\$ 4,693	11,819	14,969	4,151 38.4%	\$1.0400	\$0.4950
220918	EAGLE MT-SAGINAW ISD	TARRANT COUNTY	\$ 5,120	8,517	14,165	6,356 81.4%	\$0.9958	\$0.4700
220920	WHITE SETTLEMENT ISD	TARRANT COUNTY	\$ 4,867	4,828	5,716	929 19.4%	\$1.0400	\$0.4584
221912	WYLIE ISD	TAYLOR COUNTY	\$ 4,540	2,804	3,234	460 16.6%	\$1.0400	\$0.0900
227901	AUSTIN ISD	TRAVIS COUNTY	\$ 5,755	79,007	82,564	3,956 5.0%	\$1.0790	\$0.1230
227904	PFLUGERVILLE ISD	TRAVIS COUNTY	\$ 4,887	16,592	20,807	4,932 31.1%	\$1.0400	\$0.4200
227907	MANOR ISD	TRAVIS COUNTY	\$ 5,394	3,227	5,828	2,808 93.0%	\$1.0400	\$0.4950
227910	DEL VALLE ISD	TRAVIS COUNTY	\$ 5,139	7,656	9,234	1,908 26.0%	\$1.0400	\$0.4400
227913	LAKE TRAVIS ISD	TRAVIS COUNTY	\$ 5,822	4,818	5,871	1,200 25.7%	\$1.0400	\$0.2759
237904	WALLER ISD	WALLER COUNTY	\$ 5,038	4,830	5,134	483 10.4%	\$1.0400	\$0.3800
240903	UNITED ISD	WEBB COUNTY	\$ 4,775	32,262	39,009	8,284 27.0%	\$1.0300	\$0.1549
246904	GEORGETOWN ISD	WILLIAMSON COUNTY	\$ 5,751	8,662	9,938	1,336 15.5%	\$1.0400	\$0.2500
246906	HUTTO ISD	WILLIAMSON COUNTY	\$ 5,128	1,982	4,350	2,710 165.2%	\$1.0400	\$0.3950
246909	ROUND ROCK ISD	WILLIAMSON COUNTY	\$ 5,604	35,553	40,493	6,391 18.7%	\$1.0171	\$0.3153
246913	LEANDER ISD	WILLIAMSON COUNTY	\$ 5,565	18,201	26,551	9,737 57.9%	\$1.0400	\$0.3392
247903	LA VERNIA ISD	WILSON COUNTY	\$ 4,718	2,419	2,831	530 23.0%	\$1.0400	\$0.3388
253901	ZAPATA COUNTY ISD	ZAPATA COUNTY	\$ 6,791	3,163	3,648	518 16.5%	\$1.0400	\$0.1200
State Totals (1,037 Districts without Charter Schools)				4,263,680	4,581,008	382,686 9.1%	\$1.0417	\$0.2305
2007-08 Fast Growing (111)				1,605,843	1,933,307	391,897 25.4%	\$1.0476	\$0.3008
2007-08 Non-fast Growing (926)				2,657,837	2,647,701	-9,211 -0.3%	\$1.0379	\$0.1861