

**SB 982 testimony of George Torres, Northside ISD**  
**Senate Committee on Education Public Hearing**  
**April 21, 2009**

Good morning, Madam Chair Shapiro and members of the Senate Education Committee. My name is George Torres and I am the Deputy Superintendent for Business & Financial Services for Northside ISD in San Antonio.

I am here today to support Senate Bill 982, sponsored by Senator Van de Putte. This bill is good for Northside and school districts throughout Texas for several reasons:

- Senate Bill 982 restores financial stability to the school finance system and will put us in a position to continue our tradition of academic excellence.
- It will end the target revenue system that has us operating at 2005-06 levels and will bring funding equity to districts across the state.
- And, perhaps most importantly, Senate Bill 982 establishes formula-driven funding that addresses the diversity and needs of all students.

Northside ISD is the fourth largest district in Texas and is also one of the fastest-growing and most diverse districts in the state (64 percent Hispanic, 24 percent white, and 8 percent black). Our enrollment, now at about 88,400, will increase by about 2,200 students this next year, despite the slowdown in the economy. We opened five new schools this school year and will open four more next year just to keep pace with our growth.

Over the past few years – up until this year – Northside has had relatively stable finances. This is because District leaders made the very tough decision to cut about \$40 million from the budget in the 2003-04 and 2004-05 school years. Salaries were frozen and block scheduling was ended, because at the time, we didn't know what kind of legislative action was going to occur after the West Orange-Cove ruling.

Today, those cuts represent more than \$200 million in savings, or costs that we have avoided. It was strictly a financial decision – they were painful cuts that were not in the best interests of our staff or students. Despite the cuts, our tradition of academic excellence has continued. In 2005, Northside became the first district in the state to receive the H-E-B Excellence in Education award. In 2007, NISD was one of five finalists in the nation for the prestigious Broad Prize. And currently, NISD is rated Recognized by the state, which is no small feat considering how large and diverse we are.

However, under the current school funding system, our financial security is decreasing. Because of target revenue, our funding levels have been stagnant over the past four years, even though the cost of fuel, utilities, and other operations continue to rise.

Last year, we became the last school district in San Antonio to access the 4 cents on our tax rate authorized by the Legislature. We are in the midst of a flexible hiring freeze, and if our employees get a raise this year, it probably will be in the neighborhood of a modest 1 or 2 percent. The outlook only gets worse. Our five-year projection model shows us operating at a deficit in future years.

We are reaching the end of our rope and fear that soon the budget cuts we will be forced to make will put the academic achievements of our students at risk.

Senate Bill 982 offers hope to Northside and to all school districts across the state. It would replace the arbitrary target revenue system with a more equitable formula-driven funding system. This type of funding system ensures school districts across the state get equal funding whether they're rural, suburban, or urban and whether they're in north Texas or south Texas. It also ensures extra resources go to the students and special populations who need them the most.

In addition, we also would like to ask for consideration for fast growth school districts such as Northside. In the past 10 years, our enrollment has grown more than 40 percent and we've opened 28 new schools. Fast growth school districts should benefit from current increases in local property values and tax revenues in order to accommodate student growth.

We appreciate the efforts of Senators Van de Putte, Eltife, West, Davis and Nichols. Senate Bill 982 brings fairness back to the school funding equation and allows us to continue to set a high bar for academic achievement.