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TESTIMONY TO THE SENATE BUSINESS AND COMMERCE COMMITTEE
REGARDING SB 504

By

Patty Quinzi, Texas AFT legislative counsel
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On behalf of our 65,000 members, I would like to thank Senator Davis for finding some potential savings for school districts that could translate into saving jobs in the classroom, saving access to valuable programs like pre-k, or other measures that would reduce the impact of budget reductions forced upon districts by state funding cuts.

Since 1995, the Utilities Code has allowed institutions of higher education to receive a 20 percent discount on their electric utility rates. SB 504 takes the logical step of applying this 20 percent discount on electric utilities to more educational entities--all independent school districts and open-enrollment charter schools.

The resulting savings could keep 5,000 schoolchildren enrolled in high-quality, full-day pre-k, or could provide extra instruction through the Student Success Initiative for tens of thousands of students at risk of failing state achievement tests. To illustrate the potential benefit just in terms of teacher jobs, we have calculated the number of teacher layoffs that could be avoided in 17 of the state's major school districts (see attachment). For instance, the savings of \$2.3 million in Houston ISD would be enough to preserve or restore the jobs of 46 teachers. In Dallas ISD, another 45 teachers would be able to keep their jobs. Overall, the savings resulting from SB 504 for just the top 17 school districts would be enough to enable 259 teachers to stay in the classroom serving students.