



November 20, 2020

The Honorable Mike Morath
Commissioner, Texas Education Agency
1701 N. Congress Avenue Austin, TX 78701

Dear Commissioner Morath,

Thank you for your support of public education in Texas. The “hold harmless” policy was and remains critical to our State’s future.

As a community, Texas has never faced the turmoil and uncertainty that 2020 has presented. When the realities of the COVID-19 pandemic set in, many families went home to uncertain economic futures. Business communities acted quickly to innovate and adjust, but the state still faces a long and hard road to recovery.

The Texas business community collectively represents millions of employees with school-age children at home, two-thirds of whom have had to make significant child care adjustments over the last eight months and one-quarter of whom are uncertain of their ability to return to work without a stable environment for their children outside of the home. Economic recovery over the next year requires strong public schools with reliable and consistent funding.

As Texas enters the ninth month of COVID-19 protection orders, Texas public schools continue to provide stable resources for over five million students, close to 700,000 full-time employees, and their families. From the first day of school closures, our schools became nimble engines of community support, developing online learning tools, packaging millions of meals-to-go, and significantly pivoting service and support models to adjust to this new volatile environment. Texas public schools will continue to be the backbone of a strong economy, not only because they are creating a strong future workforce, but also because they support the stability of families in the workforce now.

The pivot schools made at the outset of the pandemic was possible due to the assurance of stable funding by state leadership. A “hold harmless” period was given to school districts at the beginning of the school year to guarantee a minimum-level of funding. Currently, state leadership has only guaranteed stable funding until approximately the end of the fall semester, not the entire school year, after which school districts are only funded based on daily attendance and current enrollment levels.

As it was recently reported, Texas public schools are experiencing an average 4% enrollment drop (or approximately a reduction of \$300 million in state funding) compared to last school year as the COVID-19 pandemic continues to be present in our communities. A drop in student enrollment does not equate to a reduction in costs for school districts. Operationally, districts are relying on full funding from the state to provide services to those students enrolled, especially during a time when they are incurring additional expenses for added staff, PPE, devices and internet access for virtual learning, and other needs brought on by the pandemic.

State leaders should continue to guarantee public schools will not experience a loss in funding, especially as they face new student needs tied to the pandemic and continue to provide many services for Texas students that go above and beyond just providing a high-quality education. Stable funding will allow districts to continue to care for their students in this new age of COVID-19, and a “hold harmless” extension to at least the end of the 2020-2021 school year is necessary.

Texas public schools, who will continue to educate Texas’ future leaders and workforce, have been responsible stewards of taxpayer dollars and have reallocated and reached into their savings to make needed investments to keep our children safe. However, as the end of this guarantee of stable funding looms, the prospect of school districts making major budget decisions and possible cuts right before the holidays or soon afterward can have catastrophic impacts on the future recovery of the state’s economy.

Our public schools should be consistently supported by state leadership with the assurance that full funding will remain secure throughout the remaining part of the school year. This move is necessary to ensure that the Texas economy remains in its rightful place as the strongest in the country.

Sincerely,

Metro Eight Chambers of Commerce:

Michael Jacobson, President and CEO, Arlington Chamber of Commerce, 2020 Chair

Richard Perez, President and CEO, San Antonio Chamber of Commerce

Laura Huffman, President and CEO, Austin Chamber of Commerce

John LaRue, President and CEO, United Corpus Christi Chamber of Commerce

Dale Petroskey, President and CEO, Dallas Regional Chamber

David Michael Jerome, President and CEO, El Paso Chamber of Commerce

Bob Harvey, President and CEO, Greater Houston Partnership

Brandom Genglebach, President, Fort Worth Chamber of Commerce

Bill Thornton, CEO, Fort Worth Chamber of Commerce

CC: Governor Greg Abbott; Lt. Governor Dan Patrick; Speaker Dennis Bonnen; Sen. Larry Taylor; Sen. Eddie Lucio Jr.; Rep. Dan Huberty; Rep. Diego Bernal; Bexar County Senate and House Delegation