



May 12, 2009

Dear Key Communicator:

You may have read the May 12 article in the *Houston Chronicle* about **HB 3646**. The headline stated "Texas teachers, districts gain boost in funding from House." **This is very misleading about the impact HB 3646 will have on Cypress-Fairbanks ISD.** CFISD cut \$27 million in order to balance the 2008-2009 budget. Without financial relief during this session, the district will be facing another budget deficit.

The two major school finance bills that are making their way through the legislative process are SB 2392 and HB 3646. HB 3646 was passed by the House on May 11 and if it becomes law would have a detrimental impact on both CFISD and the community.

How could this happen? The Legislative Budget Board (LBB) provides legislators with total property value and student enrollment projections. The LBB data **overestimates** both the district's total revenue and student enrollment projections, which resulted in inaccurate projections that the district will receive \$54 million more revenue than under current law.

Total revenue under HB3646 was calculated by the LBB as if CFISD DOES NOT give an Optional 20% Local Homestead Exemption. This reduces the actual revenue this bill would provide by about \$45 million. Another factor that inflates the LBB data is student enrollment is over projected.

The *Houston Chronicle* article stated that according to the LBB printouts, Cy-Fair ISD will receive an extra \$446 per student. However, when the Optional 20% Local Homestead Exemption is factored out, **Cy-Fair ISD will only receive \$124 per student.** The minimal increase in funding is not sufficient for a 2009-10 budget that must accommodate for student growth, fund the opening of three new campuses and meet the needs of more than 103,000 students!

What does the Optional 20% Local Homestead Exemption mean to this community? For the owner of a \$200,000 home, this exemption saved \$540 this year. HB 3646 assumes CFISD is not giving residents this property tax relief.

If HB 3646 becomes law, the legislature will not have given CFISD the financial relief that is critically needed. Instead, state lawmakers will narrow our 2009-2010 and future budget options to removing the Optional 20% Local Homestead Exemption, increasing the tax rate and/or cutting personnel and programs in order to balance our budget.

Sincerely,
David Anthony, Ed.D.
Superintendent of Schools

[Legislative Contact Info](#)