

Texas' Youngest Students Deserve a School Finance System That Prioritizes Early Literacy



Current School Funding Does Not Prioritize The Early Grades

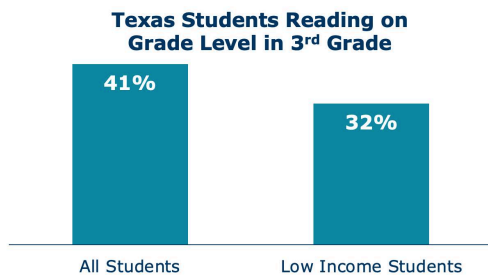
The state's current method of funding schools does not adequately resource the early, foundational years of a student's academic career, despite the critical importance of early literacy on long-term academic outcomes. Our school finance system must invest in our 5.4 million students during their most impactful years. Currently:



Texas only provides funding for half-day Pre-K for eligible students. Districts providing full-day programs do so out of their own pockets.



Our accountability system incentivizes principals to shift their strongest teachers to STAAR tested grades (3rd-6th), rather than keeping strong teachers in the most critical foundational years.



Today, only 32% of low-income students (representing 60% of Texas' K-12 population) can read proficiently by 3rd grade. After this grade, reading skills become critical to success in every subject area. Students not reading on grade level in 3rd grade are four times more likely to drop out of high school.¹

Evidence-based interventions, such as high-quality, full day Pre-K, teacher literacy training, and student literacy interventions, can effectively improve 3rd grade reading outcomes. **Students in high-quality, full-day Pre-K classrooms were two times more likely to be ready for Kindergarten, and Kindergarten-ready students were three times more likely to read on grade-level by the end of 3rd grade.**²

School Finance Commission Recommendations

In line with the recommendations of the Texas Commission on Public School Finance, the state should:

1. Set a state target that **at least 60% of 3rd graders achieve the "Meets Standards" level in reading by 2030** as a key first benchmark to meeting the state's 60x30 goal. The state should also require school districts to set goals for 3rd grade reading.
2. Provide new funding in the school finance formula for every low-income and/or English-language-learning K-3 student at **an annual amount of \$780 million to be invested in Pre-K to 3rd grade**. Districts should be required to **offer full-day Pre-K for eligible 4-year-olds**, subject to capacity constraints, and **meet all high-quality Pre-K requirements**.
3. Provide **\$400 million in new funding for outcomes-based funding** in the school finance formula to school districts **for every student who 'Meets Standard' on the 3rd grade reading STAAR**, weighted equitably so low-income students receive approximately 2.3 times the funding as their non-low-income peers.

Additional Recommendations

We also recommend that the state offer an **additional 0.1 weight in the school finance formula for each student attending Pre-K via a partnership** between a qualified childcare provider and a school district, encouraging districts with limited facilities to expand Pre-K capacity through partnerships and assist partnership sites in meeting quality standards.

Supporters

The earliest grades have the potential to make or break a student’s academic career. Yet proven, strategic investments in early literacy can dramatically improve short- and long-term outcomes for all students, particularly those facing educational or economic disadvantages.

We believe that the state should prioritize early literacy outcomes through its school finance system, and provide additional funding to school districts to ensure that all Texas students have access to a high-quality early childhood education.



1. Texas Education Agency, Texas Academic Performance Reports, 2017-18 School Year.
 2. Dallas ISD Early Learning, 2015-16 School Year.