



Written Testimony **On House Bill 3376**
From **Christy Rome**, Executive Director

For the **Texas House Ways & Means Committee**
April 6, 2021

Chairman Meyer and Members of the Committee:

Under current law, districts are allowed to temporarily increase their M&O tax rate without an election when an increase is necessary to respond to a disaster, as declared by the President and/or Governor, including events such as a hurricane, tornado, ice storm, or the COVID-19 pandemic. HB 3376 would prevent such a temporary increase if the disaster is not one that causes physical damage to property, and specifically excludes drought, epidemic, or pandemic.

While there may be reasons to distinguish between different kinds of disasters in law, it should be noted that the disaster caused by the COVID-19 pandemic has carried significant additional costs for schools, even if those costs are not associated with physical damage to school facilities. Those costs include the costs of personal protective equipment, technological devices to provide remote instruction, additional cleaning and sanitization, and the ongoing costs of addressing learning loss caused by constant disruptions to instruction. There are significant gaps to address and additional investments in students are required.

In the case of a statewide disaster, such as the COVID-19 pandemic, the State has an opportunity to address additional costs on a statewide basis. If costs are addressed on a statewide basis, then perhaps additional tax effort would not be required.

There are federal funds available to help schools address the additional costs associated with the pandemic. Congress, with votes in December and March, included a total of \$17.9 billion for education in Texas through the Elementary & Secondary Schools Emergency Relief (ESSER) Fund. However, the State of Texas has not yet decided whether to accept those federal funds to help schools overcome the challenges of the pandemic. In fact, the state has not given schools any indication that it plans to make these needed resources available.

Without those funds, schools may need to retain the ability to access disaster relief through additional M&O tax rates, although that is certainly not schools' preferred path forward.