

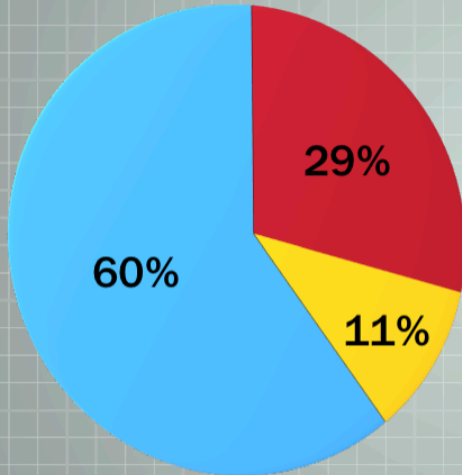
“INSIDE” INTELLIGENCE

Sponsored by: **Hahn, Texas**

*The Texas Weekly/Texas Tribune insider poll
for the week of February 11*

INSIDE INTELLIGENCE

Will the Texas Supreme Court uphold the school finance ruling?

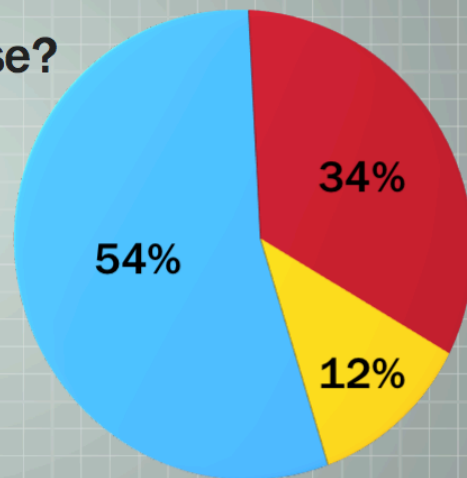


- Yes
- No
- Don't Know

INSIDE INTELLIGENCE

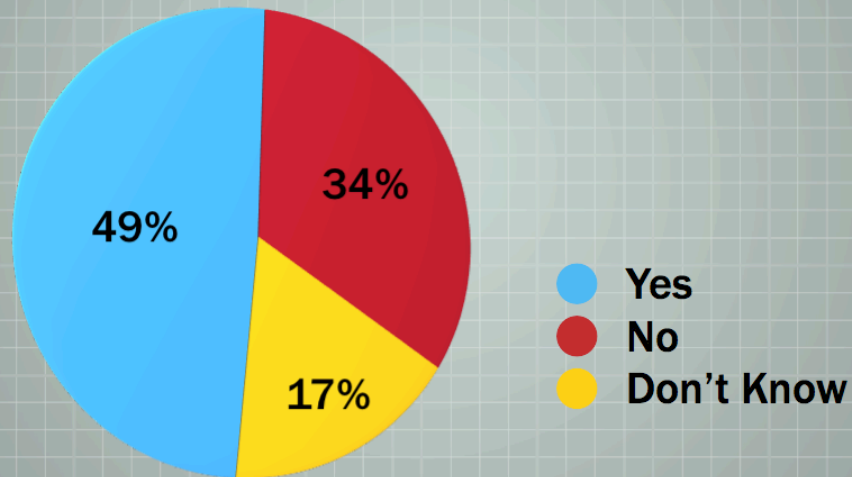
Will the school finance ruling force a tax increase?

- Yes
- No
- Don't Know



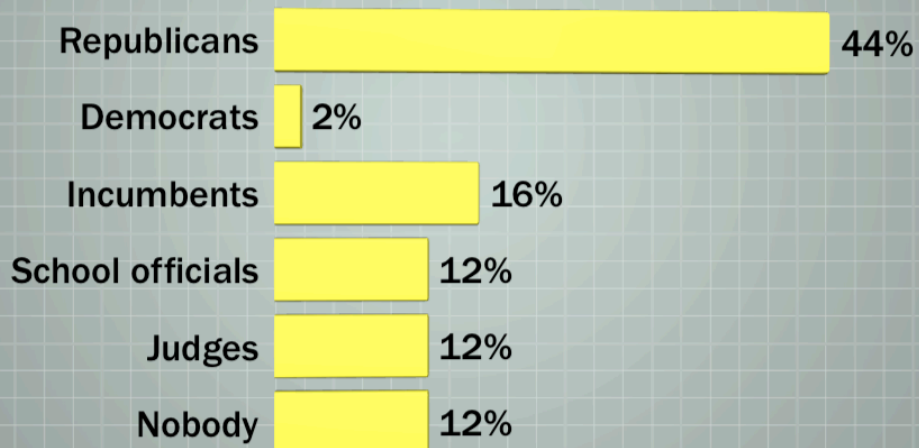
INSIDE INTELLIGENCE

Will it force property taxes to rise?



INSIDE INTELLIGENCE

Who, if anyone, will get the blame?



Will the Texas Supreme Court uphold a district judge's school finance ruling?

- "Partly."
- "Our Supreme Court is comprised of principled jurists who hold the public trust in the highest esteem. They would never dare to bring partisan politics or personal ideology into consideration. Never! They are faithful servants of the law, applying it evenly, without fear or favor. They are paragons, and we owe them our abiding respect."
- "Really need the text of that ruling before this question can be answered with any degree of certainty...and even then, is anything certain with this court?"
- "The Supreme Court would have to overturn its previous ruling to reject Dietz's finding on inequity."
- "They'll find some way to weasel out of it politically."
- "The Leg blames the Supremes again, politically useful in that it provides political cover for any action on the tax front ...sound familiar, same song, next verse."
- "There may be parts they de-empathize to provide the state with a softer decision, but the system too warped to say it meets constitutional standards in all respects."
- "Ridiculous, irresponsible, unfounded opinion by a biased liberal judge. It will almost entirely be overturned."
- "In part..."
- "Kinda hard to say since Judge Dietz issued a verbal ruling from the bench and intends to issue a more detailed written ruling in a few weeks--and it's those deets that will set the table for the next step. Devil's in the details."
- "The Supremes will uphold the ruling - late this year or sometime next year. So why are school districts celebrating now? It's like winning the Publisher's Clearinghouse, but being told it may be up to two years before you get your money."
- "Probably - either way Texas will be spending more on education in a special session in October"
- "The one aspect that the state will have a particularly hard time defending is that of inequity. The rather unjustifiable differences in the amounts that school districts receive in the system are likely to bring this thing down. There's no explaining it away."
- "What part of 'unconstitutional' don't you understand?"
- "The conservative court will not swallow whole Liberal Judge Dietz's predictable opinion."
- "The ruling, not the substance 'except that portion which ... should be laughed out of court.'"
- "Our activist SC writes more laws than the legislature. They will write this one, but will punt the final funding and solution to the legislature and call it conservative."

- "The judge dusted off his prior ruling, changed the dates and dollars, and reordered it as expected. The high court struck down much of his previous ruling so we will see."
- "Based on the opinion, increased standards vs. decreased monies, it appears it would be difficult for them to decide otherwise."
- "Partially."
- "With this hyper partisan court, I would normally say they'd undoubtedly overturn the district court's ruling, but the type of case and appeal requires the Court to use a deferential standard of review. Given the highly fact-sensitive nature of the district court's ruling, the Supreme Court may not have a lot of wiggle room. Then again, that hasn't stopped them before."
- "Liberal Democrat trial judge + conservative Appeals Court/conservative Supreme Court = changing standard of what constitutes a equitable and efficient public education."
- "I am afraid the court has become too much of a creature of the Executive branch."
- "The fiscal impact of such a move is likely way too much for this Court to bear. They will likely modify and return the case to lower court for further action consistent with their opinion."
- "In some part."
- "Disparities in funding will always be with us, and will always be subject to litigation like this"
- "The Texas Supreme Court uses a different version of the Education Code than the rest of the Courts in Texas."
- "Yes, but the impact will be greatly watered down by the time it is done."
- "Not if they do as they should: uphold the Texas Constitution."
- "They will modify the ruling, but still determine there are inadequacies."
- "In part."
- "Dietz, as expected, simply pushed the party line that the state should sink more money into schools, even when they are performing poorly. Hopefully, the Supreme Court will have a more enlightened view."
- "Second verse, same as the first. (Or, is it third or fourth at this point?)"
- "Some of it? Yes. All of it? No."
- "Some parts are likely to be upheld and others are likely to be overturned."
- "They'll say it's unconstitutional. Outside of that, they may disagree with the district court."
- "Perry has appointed half of the Texas Supreme Court. The question is will partisan politics impact a judge's ability to evaluate the facts?"
- "Judge Hecht seems to understand the issue."
- "Dietz is probably good enough to know how to tie the SCOT up in factual knots."

- "But it's not a slam dunk. The state did a good job of defense, so there's plenty in the record to support an opinion leaving it to the Lege to decide what's equitable and adequate."

- "The Court will rule that the schools are indeed woefully under-funded but will not mandate that the Legislature do anything meaningful to address core inequities. Like those politicians who dwell in the Capitol, even the Supreme Court must serve its corporate masters."

If upheld, would the school finance ruling force a tax increase of some kind?

- "Sure makes the governor's 'tax relief' offer pretty much moot."

- "Give counties the ability to raise rates."

- "We don't need no stinkin' taxes! We don't need no education! We don't need no thought control!"

- "Probably, assuming that the leadership will want to protect the property tax relief."

- "N/A"

- "Of course not. Nothing will ever change in Texas. The Supreme Court can only call fouls. It can't make the plays."

- "It might in certain school districts, but it could actually lower local school taxes if districts get to keep all the money they raise."

- "Texans don't believe in taxes... haven't you heard. Rick Perry told you. Duh."

- "If not a tax, some other method to raise revenue will definitely be on the table. Who knows, even gambling might be on the table."

- "The margins/franchise tax needs to be fixed; has it ever raised the proper amount of revenue? Time may have come to reexamine those pesky sales tax exemptions. There is a natural pecking order for those exemptions, average Texans would certainly support continued exemption of medical and dental services, maybe even legal services, but accountants, engineers, landscapers?"

- "The money the state cut from the budget in 2011, if returned, plus savings by eliminating the Target Revenue and other Hold-Harmlesses provides enough money for a strong first step. Phasing in other required improvements will run concurrent with the improving economy."

- "If cows fell out of the sky, might you be hit? What kind of question is this?"

- "This is Texas - we don't raise taxes"

- "If the court finds against the state solely on inequity, the solution can be to take the rich down to where everyone else is. That doesn't cost the state anything, financially speaking."

- "An increase and a shift, so call it whatever you want to as these

legislators don't know how to manage money in the first place."

- "NO - vouchers and restoring previous cuts will be sold as the solution."
- "Wishful thinking but would be a smart move to provide stability in the funding stream for public Ed and leave other general revenue for growing demands in other core state services, totally apart from health care or Medicaid."
- "With this Legislature, more accounting gimmicks are all we're likely to get. At most, they'll keep increasing fees and shifting burdens to local jurisdictions to make it look like there isn't a tax increase."
- "Or closing loopholes in current system."
- "If it means shutting down public schools, this Legislature will not raise taxes."
- "It would force the state to utilize the resources it has to FULLY FUND public education in this state! It would require districts to use money for the purpose which it was intended - the EDUCATE students! Reduce the size of the 'district office' staffs and put teachers in classrooms."
- "Usually, the legislature would have the brunt of such a ruling fall on the local property tax base; that option may not be available now --both because of the 'state property tax' issue and the present level of local taxes"
- "2006 ruling didn't, but it may be harder to avoid this time."

• "At the minimum, this undermines posturing for a tax cut"

- "Yes, and that's not the role of the courts, although other states have succumbed to that ruse."
- "Enhanced franchise tax"
- "State wide property tax"
- "Unfortunately, the prime directive for school districts is to seek more money, regardless of their performance. No matter the problem, they believe money is the answer. If they can legally demand more money, they will."
- "God forbid!"
- "Bye, bye tax giveaway! It was fun while it lasted."
- "It has usually just resulted in a reshuffling of existing resources or revenue sources."
- "In a world where there is no way the legislature will pass a tax increase, and there are not enough votes to change the constitution, a long hot summer awaits us all."
- "If it's \$10 billion underfunding, absolutely. But it won't be. Look for gaming to come back into the picture."
- "There goes our tax rebate."
- "It would force to the legislature to fill the empty bucket caused by the poorly conceived, underperforming franchise tax."
- "Not immediately. But unless the Lege gives up on water and roads, someone has to find more money"

somewhere eventually. Even if oil goes to \$200 a barrel. Or we take advantage of the \$100 billion from Medicaid expansion."

- "In moral terms, of course. In political terms, keep dreaming."

- "A tax increase, ah what, a who said that, did you say something?"

If upheld, would the school finance ruling force an increase in local property taxes?

- "Probably not, assuming that the leadership protects the property tax relief fund."

- "N/A"

- "Maybe not 'force,' but possibly result in one."

- "Wasn't this (hasn't this) been the basis for the flawed funding to begin with?"

- "Some very well funded districts might have to raise local taxes if they choose to continue a high-cost educational program, but lower-funded districts will be able to reduce property taxes, and these are the districts with the highest tax rates to begin with."

- "If the questioner were as intelligent as usual, would there be a question like this?"

- "Always does (eventually). And when too many districts are forced to go that route, that's the cue to file the next lawsuit against the state."

- "The 3 most likely sources for new state revenue seem to be 1) raising sales tax rate, 2) raising franchise tax rate, or 3) raising property tax rate. Good luck choosing the one that can pass."

- "If the court finds against the state solely on inequity, and if the solution adopted is to take the rich down to where everyone else is, those rich districts would probably raise their tax rates."

- "Well if the Lege shifts the burden back to the local districts again, then yes it will not only force an increase but lets hope it doesn't tie a district's hands from raising future revenue the state doesn't send in the first place."

- "Why would taxpayers approve a local tax increase only to have the revenue diverted to another school district?"

- "Certainly it will be an increase in Austin, Texas where the voters have never seen a tax increase they didn't like."

- "The way to avoid having a state property tax is by giving local districts tax flexibility. This will cause taxes to go up in some areas."

- "It would go against grain of the ruling, but that is essentially what happened in 2006."

- "It should force a more statewide approach. Local tax disparities got us here."

- "The schools are not teaching our children to write their own names in cursive, yet they can count money."
- "Yes. The prime directive for school districts is to seek more money."
- "It should read 'ANOTHER increase in property taxes'."
- "Wouldn't force it, but would make it more likely."
- "Last time it resulted in lower local property taxes."
- "Local property taxes will not be FORCED to go up, but local school will go up on them anyway and then blame the legislature. Its tradition for them to do so."
- "If they need more money, that's the best non-gaming place to get it."
- "The Legislature will find another means to make the locals look like they're inefficient and just want to raise your taxes. There will some new mechanism for 'local control,' but push the blame to the locals for raising taxes whatever that tax may be."
- "Since a quarter of the districts are already maxed out on their tax rate, it's hard to avoid a ruling that this is (once again) a state property tax. Since the state still hasn't been able to make up for the revenue lost to the 2006 forced school property tax cut, the only option will be to let the districts (with voter approval) raise their local rates even higher. Or give up on getting kids to pass tests."

Who, if anyone, will voters most blame for the consequences of the ruling?

- "What a loaded question. You assume that there would be blame rather than praise, or at least understanding given the demands of the future."
- "School officials. Oops. I thought the question was who will legislators blame for the consequences."
- "Everyone will point fingers at each other."
- "You did not list my preferred answer. To quote the great Jo Carol Pierce, I blame God."
- "I actually think people could end up happy about this in the long run and will blame no one!"
- "Hard to blame the minority party... they ain't in charge."
- "Recall there have been past efforts to exclude judicial review as it relates to the funding formula, that sentiment has its roots in over aggressive judges."
- "This system has been unfair and poorly funded for decades and to say the members of the Legislature did not already know that is nonsense. Had they started working toward a rational result in 2003, we would not be in the trouble we are now. Kicking the can down the road works only until you run out of road. That's were the court decision puts us."

- "They tell the court the taxpayers need to pay for dom paragon, get the legislature to make it fizzy water, and pocket the difference! Hypocrites of the worst kind."
- "Republicans will take the blame for the failure of the system conceived of and installed by Democrats."
- "The way things are set up, all sides can point somewhere else to assess blame."
- "Democrat voters will blame republican officials. Republican voters will blame judges."
- "Republicans just can't catch a break when it comes to education. Everyone suspects the Rs of being against education, whether they are or not."
- "I've said it once and I'll say it again: Dewhurst and Perry are to blame as this fiasco happened under their watch. I'd also include Craddick since he was speaker at the time but look what happened to his crony republicans that year? Most of them got defeated so it looks like history may repeat itself once again."
- "You should have as a choice: 'Everybody named above, plus everyone not named, but not me.'"
- "The Legislature has a bigger microphone. They will make sure the SC gets the blame."
- "Past legislators that passed Robin Hood."
- "The republicans run the show, it's their world in Texas baby, we just live in it."
- "Since Democrats have been unable to elect statewide official, and gain majorities in both chambers of the legislature for over a decade, it would difficult to deflect criticism."
- "They should blame the state political leadership for starving the public schools but probably will misplace the blame on school officials."
- "Blame assumes that voters will react negatively. I tend to think that if 2/3 of all the school districts in Texas filed this, the majority of those Republican controlled, then I think there's probably a significant groundswell of citizen concern over school finance."
- "At least thinking voters will."
- "We are all to blame for allowing our school districts to move away from their basic job - educating students! Money is important - but thinking that PSJA School District is EVER going to compete money wise with Highland Park is crazy!"
- "The AG will be quite exercised to make sure they don't blame him."
- "It's not really a partisan matter."
- "Judicial overreach. The separation of powers must be upheld."
- "Too many excessive buildings, programs and administrative staff payrolls. Perhaps there would still be a problem, but the perception remains."
- "Yet another breathtakingly shallow question."

- "Most people realize that government employees -- including and most particularly the bureaucratic leadership of the schools -- are all Democrats. While the media may try to blame the ruling on Republicans, in every community across the state, folks know that it is the Democrats at the school district who sued the state."
- "Both parties"
- "There is no where else to look beyond the Grand Ole Party. They've had the reins for quite some time."
- "I think this is actually going to be a tie between Dems and the district judge. Between cries of 'socialism' and 'redistribution' and judicial activism, I think conservatives in the Lege are going to have a field day up through a decision in the Supreme Court. The rallying cry will make its way to the Governor as well who will condemn efforts to 'undermine' Texas education. I do not see this ending well for advocates of the case or those who have been vocal about supporting/being pleased with the decision."
- "The party in power should be the party of responsibility."
- "Republican moms have seen their children's class size go up while their art and music teachers were let go after a \$5.4 billion cut to public education. They know who to blame."
- "Voters trust their school boards more than they trust 'politicians in Austin.'"
- "The key word is voters. The general population will probably blame Republicans."
- "Everyone"

Our thanks to this week's participants: Gene Acuna, Cathie Adams, Brandon Aghamalian, Jenny Aghamalian, Victor Alcorta, Clyde Alexander, George Allen, David Anthony, Jay Arnold, Louis Bacarisse, Charles Bailey, Walt Baum, Dave Beckwith, Rebecca Bernhardt, Andrew Biar, Allen Blakemore, Tom Blanton, Hugh Brady, Chris Britton, Lydia Camarillo, Kerry Cammack, Thure Cannon, Snapper Carr, Janis Carter, William Chapman, Elizabeth Christian, Rick Cofer, John Colyandro, Harold Cook, Beth Cubriel, Randy Cubriel, Curtis Culwell, Denise Davis, Hector De Leon, June Dadrack, Nora Del Bosque, Tom Duffy, Jeff Eller, Jack Erskine, Jon Fisher, Neftali Garcia, Norman Garza, Dominic Giarratani, Bruce Gibson, Eric Glenn, Kinnan Golemon, Daniel Gonzalez, John Greytok, Clint Hackney, Wayne Hamilton, Bill Hammond, Adam Haynes, Ken Hodges, Steve Holzheuser, Shanna Igo, Deborah Ingersoll, Richie Jackson, Cal Jillson, Jason Johnson, Bill Jones, Mark Jones, Robert Jones, Lisa Kaufman, Richard Khouri, Tom Kleinworth, Ramey Ko, Sandy Kress, Pete Laney, Dick Lavine, James LeBas, Donald Lee, Luke Legate, Leslie Lemon, Richard Levy, Ruben Longoria, Homero Lucero, Vilma Luna, Matt Mackowiak, Bryan Mayes, Dan McClung, Scott McCown, Mike McKinney, Debra Medina, Robert Miller, Mike Moses, Steve Murdock, Craig Murphy, Keats Norfleet, Pat Nugent, Keith Oakley, Gardner Pate, Jerry Philips, Wayne Pierce, Richard Pineda, Allen Place, Royce Poinsett, Kraege Polan, Gary Polland, Jay Propes, Bill Ratliff, Patrick Reinhart, Jason Sabo, Andy Sansom, Jim Sartwelle, Stan Schlueter, Bruce Scott,

Robert Scott, Ben Sebree, Christopher Shields, Julie Shields, Ed Small, Todd Smith, Larry Soward, Dennis Speight, Jason Stanford, Keith Strama, Bob Strauser, Colin Strother, Michael Quinn Sullivan, Sherry Sylvester, Jay Thompson, Russ Tidwell, Gerard Torres, Trey Trainor, Vicki Truitt, Ware Wendell, Ken Whalen, Darren Whitehurst, Seth Winick, Peck Young, Angelo Zottarelli.