

Tom Luce

By Bill Hobby

Last Sunday my friend and fellow columnist, Tom Luce, made several suggestions about changes he thinks ought to be made in state government before any tax bills are considered.

Some of them are very good ideas--so good in fact that they are already state law. "Nothing is more important to the future of Texas" than public education, says Mr. Luce. And he is so right. "Before even more money is spent on a school system that does not work, changes must be demanded. The changes should include site-based management and making teachers and administrators responsible for the results."

Whatever the merits of site-based management, it is now the law, passed by the Legislature last year in Senate Bill 1, the school finance bill. The parts of that bill that prescribe how the state distributes money to the school districts have been set aside by the Supreme Court of Texas, but not site-based management.

"Site-based management" is a new educational buzzword. It reduces, not increases, accountability by spreading it around. The Perot Commission, which made the recommendations contained in HB72, favored the concept of the principal as the educational leader of the campus. Mr. Luce and I both served on that commission.

The two ideas are at least partially in conflict. If the principal is to be responsible for the quality of education provided on the campus, should not the principal be able to hire and fire--instead of a committee?

Well, let's give this system a try. Maybe it won't do much harm. In any case, Tom, it's already the law.

"Texas needs a school finance system that replaces formula funding with block grants and provides incentives for academic achievement", writes Mr. Luce. How else would the amounts of block grants be calculated other than by formulas? "Block grants" generally means "no strings attached". Perhaps he means that the state should not try to say how the tax dollars are spent once they are sent to the districts.

That is a point over which reasonable people can disagree. But the fact is that the state has precious little influence over how those dollars are spent. For better or worse, Texas has "block grants" right now. Moreover, the Legislature has provided "incentives for academic achievement". Ten million dollars has been distributed by the "Governor's Excellence Committee" to achieving school districts. School districts with excellent records are exempt from some state regulations and are not inspected by the Texas Education Agency as often as are districts with poorer records.

Another \$525,000 was provided in SB1 to reward creativity and innovation in schools. These are excellent new ideas. They are current law. Let's see how they work.

On another subject, Mr. Luce wants "a meaningful reduction of \$300 to \$600 million in spending on current programs [that] would be a good first step." Presumably that means cutting general revenue, the only funds the Legislature controls. The Legislative Budget Board has already recommended cuts of \$166 million, \$444 million short of Mr. Luce's goal.

Assuming that no further cuts can be made in those areas where Texas is under various court orders, the \$444 million comes out of all other state government: the courts, the legislature, the environmental agencies (Parks and Wildlife, General Land Office, Air Control Board, Water Commission), and the regulatory agencies.

Maybe next week Mr. Luce will tell us just where those cuts should be made.

"In addition to attacking specific line items in the budget, some fundamental issues of budget reform must be placed on the table", writes Mr. Luce. "For example, current funding formulas which do not encourage efficiency in state government must be revised or eliminated."

But he doesn't give us a "for example". Maybe next week.

The strangest of the Luce recommendations is that any new revenues should be dedicated to schools or prisons. Dedicating funds doesn't change the amount of money that is spent on education or corrections. It just changes some details about the way it is appropriated.

"Businesses have had to restructure their operations to survive," writes Mr. Luce, suggesting that the state do the same. Indeed. Which business "dedicates" revenue from customer A to pay the bank, the revenue from customer B to meet the payroll, the revenue from customer C to pay the rent, and so on?

Certainly no law firm I know of.

Written in 1991.