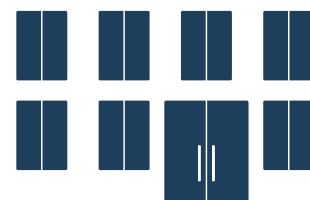


END OF ESSER FUNDING ADDS TO TEXAS SCHOOLS' WOES



SCHOOL



When the COVID-19 pandemic hit, the federal government sent emergency support to states to be used for public education. This funding is called Elementary and Second School Emergency Relief (ESSER) and it was sent in three rounds. All told, Texas received more than \$19 billion in ESSER funding. Due to this **funding expiring in October 2024, districts have been making cost cutting preparations for the last year.**

Some have questioned why the loss of this one-time funding would hurt future budgets for school districts. The reason is simple. Due to a lack of state funding and faced with rapidly rising inflationary costs, some school districts have had to use ESSER funding to address staffing continuity, student remediation and student support costs. Students and educators are still facing some lingering impacts of the pandemic, such as learning loss. Below are some of the reasons why the end of ESSER funding is adding to the fiscal woes facing Texas school districts:



AT A TIME OF SEVERE INFLATION, STATE EDUCATION FUNDING IN TEXAS HAS BEEN STAGNANT.

- Despite record budget surpluses, the Governor and Legislature have not increased the Basic Allotment — the core unit of education funding that goes to every district — in five years.
- During that time, inflation has exceeded 20 percent. Schools are paying significantly more for utilities, fuel, supplies, health insurance, and other operating costs.
- ESSER funding has helped school districts manage those cost increases. **Now that ESSER is ending, schools still face high costs and stagnant state funding.**



ESSER FUNDING HELPED DISTRICTS RETAIN STAFF.

- School districts spend about 85 percent of their revenue on labor.
- COVID contributed to a historic turnover rate among Texas teachers and staff. ESSER funds were used to retain the staff they needed.
- Some districts added positions to help students struggling with effects of COVID, such as learning loss and social and emotional issues.



PANDEMIC FUNDING IS GOING AWAY, BUT PANDEMIC PROBLEMS LINGER.

- Statewide performance on the 2023 math STAAR test was **lower than in 2019.**
- The **turnover rate for teachers** was 12.2% in 2023-24, down from 13.4% in 2022-23. Before the pandemic, the turnover rate hovered around 10%. The loss of ESSER funding will give schools fewer resources to retain teachers than they have had in recent years.
- The rate of inflation since 2019 has been over 20%, as measured by the Consumer Price Index. ESSER funds have helped school districts mitigate the impact of inflation, but now ESSER dollars are going away and costs have not receded.