

Chairman Buckley and Members of the Texas House Committee on Public Education:

My name is Dr. Vance Ginn, president of Ginn Economic Consulting. I'm a proud Texan, an economist, a husband, and a father of three. I grew up in a low-income, single-mother household in South Houston. I attended private, public, and home schools before becoming the first in my family to graduate from college, where I earned my doctorate in economics at Texas Tech University. I've dedicated my career to the calling to let people prosper, including more than a decade of working to understand and improve education, school finance, and other policies in Texas and nationwide. Today, I urge you to please consider Texas's critical need for universal Education Savings Accounts (ESAs).

Despite historic increases in public education funding recently and over time, student performance in Texas is flat or declining. Our state needs to catch up, as many states have educational opportunities that are not available here. Economist [Milton Friedman](#) once said about improving education, "*The only solution is to break the monopoly, introduce competition and give the customers alternatives.*" The time is now for Texas to follow this vision with a "Texas approach" for improved education, more pay for quality teachers, and a better economy.

Here are questions to consider during your deliberations:

1. Why are Students and Texas Falling Behind in Education?

- Standardized test outcomes, such as STAAR and NAEP (though flawed as the ultimate accountability factor is parents), indicate that performance remains stagnant or worse over time. For example, only 24% of Texas 8th graders are proficient in math and 23% in reading—the lowest in decades.
- Texas is trailing behind 12 states with universal or near-universal ESAs. If Texas does not act swiftly, we risk falling further behind as other states empower parents, students, and teachers.

2. Why are Taxpayers Spending So Much on Public Education?

- Texas Legislature increased the total budget from 2022-23 initial appropriations to 2024-25 initial appropriations (for a consistent comparison) by record amounts of \$53.2 billion, or 32%, to \$219.4 billion in state funds and \$56.9 billion, or 21.5%, to \$321.7 billion in all funds, includes state and federal funds.
- The Legislature increased funding to public education by historic amounts of \$20.3 billion, or 33.3%, to \$80.6 billion in state funds and by \$20.7 billion, or 28.6%, to \$93.1 billion in all funds.
 - Despite these historic increases in public education, which brought state funding up to about 50%, the monopoly government school system lacks efficiency. For example, less than 20% of classroom expenditures directly fund teachers; the rest is for administrative and other costs. Moreover, there is no positive correlation between increased funding and improved outcomes, so funding is excessive with exaggerated arguments for more.

3. What is the Path Forward to Meet Texans' Support for School Choice?

- Multiple surveys show strong public support for school choice, reflecting the widespread desire for educational reform. The path forward should include the Texas Legislature passing a universal

ESA bill in the next session and establishing universal ESAs for all Texas families for any schooling parents choose for their kids.

- This program should use what has worked well in other states to streamline and ensure quick implementation for every student. Public schools would receive less funding under ESAs only if they failed to compete and parents chose better alternatives for their kids.
 - Ultimately, Texas should shift from spending about \$93 billion for \$17,000 per student on public education for 5.5 million kids today to a fully-funded ESA model of about \$75 billion with \$12,000 per student for 6.3 million school-age kids. This reform could save Texans about \$18 billion annually, with savings returned to taxpayers by reducing school district M&O property tax rates, putting us on a faster path to elimination.

4. What Does the Research Show on the Benefits of School Choice?

- Studies consistently find that outcomes improve when parents can choose the best educational environment for their children. For example, out of 18 academic studies on school choice, 12 found positive outcomes, including improvements in public schools due to the competitive pressure of school choice.
- Additionally, universal ESAs could significantly increase teacher pay. Some teachers could see salary increases of up to \$28,000 per year.
- Moreover, increasing school choice has been shown to improve labor market outcomes, support higher property values, and spur job creation.

Conclusion

Texas must lead in the race for educational excellence. The evidence shows that universal education savings accounts will help provide this. Texas should pass a universal ESA bill to ensure every child in Texas has access to a high-quality education tailored to their unique needs. Thank you for your time and consideration. I am glad to be a resource on these issues throughout your deliberation and am happy to answer your questions.

[Vance Ginn, Ph.D.](#), is president of Ginn Economic Consulting, affiliate at more than 15 think tanks across the country, and host of the Let People Prosper Show. Dr. Ginn was previously a lecturer at multiple institutions of higher education, chief economist at the Texas Public Policy Foundation, and chief economist at the White House's Office of Management and Budget. He earned his doctorate in economics at Texas Tech University. Follow him on X.com at [@VanceGinn](#) and get more of his research at [vanceginn.com](#).