

Rulings

1. The Court declares that for plaintiff districts and others, the costs of meeting the constitutional mandate of adequacy and/or the statutory regime of accreditation, accountability, and assessment exceeds the maximum amount of revenues that are available under the State's current funding formulae. Therefore, the State's school finance system fails to provide an adequate suitable education as required by Article VII, section 1 of the Texas Constitution.
2. The Court declares that for some of plaintiff districts and others are forced to tax at the \$1.50 statutory cap on the M&O tax rates to provide a general diffusion of knowledge and/or a statutory accreditation, accountability, and assessment regime. These districts have lost all meaningful discretion in setting the tax rate for their districts, thereby violating Article VIII, section 1 (e) of the Texas Constitution.
3. The Court declares that the State's school finance system is neither financially efficient nor efficient in the sense of providing for the mandated adequate education nor the statutory regime of accreditation, accountability, and assessment.

I will enter an injunction that state funding of public schools cease unless the legislature conforms the school finance system to meet these constitutional standards. The effective date of the injunction will be one year from the date I enter the order, which will be approximately October 1, 2004.