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Amalia Rodriguez-Mendoza
District Clerk
Travis District
D-1-GN-11-003130

CAUSE NO. D-1-GN-11-003130

THE TEXAS TAXPAYER & STUDENT FAIRNESS COALITION; ALIEF I.S.D., CANUTILLO I.S.D., ELGIN I.S.D., GREENVILLE I.S.D., HILLSBORO, I.S.D., HUTTO I.S.D., LAKE WORTH I.S.D., LITTLE ELM I.S.D., NACOGDOCHES I.S.D., PARIS I.S.D., PFLUGERVILLE I.S.D., QUINLAN I.S.D., SAN ANTONIO I.S.D., STAMFORD I.S.D., TAYLOR I.S.D., VAN I.S.D.; RANDY PITTENGER; CHIP LANGSTON; NORMAN BAKER; BRAD KING; and SHELBY DAVIDSON, as Next Friend of CORTLAND, CARLI AND CASI DAVIDSON,	§	IN THE DISTRICT COURT
Plaintiffs	§	200TH JUDICIAL DISTRICT
vs.	§	
MICHAEL WILLIAMS, COMMISSIONER OF EDUCATION, IN HIS OFFICIAL CAPACITY; SUSAN COMBS, TEXAS COMPTROLLER OF PUBLIC ACCOUNTS, IN HER OFFICIAL CAPACITY; TEXAS STATE BOARD OF EDUCATION,	§	
Defendants.	§	TRAVIS COUNTY, TEXAS

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PLAINTIFFS' SEVENTH AMENDED ORIGINAL PETITION AND REQUEST FOR DECLARATORY JUDGMENT

NOW COME Plaintiffs and bring this Seventh Amended Original Petition and Request for Declaratory Judgment and would show the Court as follows:

DISCOVERY LEVEL

1. Discovery will proceed under level 3 of the Tex. R. Civ. P. 190.

PARTIES

2. Plaintiff, THE TEXAS TAXPAYER AND STUDENT FAIRNESS COALITION is a Texas non-profit composed of school districts, students, parents, and businesses in Texas directly affected by the school finance system. There are 438 districts in the Coalition and those districts educate over 1.3 million students. The following school districts are members of the Coalition: Academy ISD, Agua Dulce ISD, Aldine ISD, Aledo ISD, Alice ISD, Alief ISD, Alpine ISD, Alvord ISD, Amherst ISD, Anahuac ISD, Anson ISD, Anthony ISD, Anton ISD, Apple Springs ISD, Aquilla ISD, Aransas Pass ISD, Archer City ISD, Arlington ISD, Athens ISD, Atlanta ISD, Aubrey ISD, Avalon ISD, Axtell ISD, Azle ISD, Balmorhea ISD, Banquete ISD, Bartlett ISD, Beeville ISD, Bellevue ISD, Bells ISD, Belton ISD, Benjamin ISD, Big Sandy ISD (Upshur), Bland ISD, Blanket ISD, Blue Ridge ISD, Blum ISD, Boles ISD, Bonham ISD, Bosqueville ISD, Brackett ISD, Bridge City ISD, Broaddus ISD, Brock ISD, Brookesmith ISD, Brownfield ISD, Brownwood ISD, Bruceville-Eddy ISD, Bryan ISD, Bullard ISD, Buna ISD, Burkburnett ISD, Burkeville ISD, Burleson ISD, Burnet Cons ISD, Bynum ISD, Caddo Mills ISD, Calallen ISD, Callisburg ISD, Campbell ISD, Canton ISD, Canutillo ISD, Canyon ISD, Carlisle ISD, Carrizo Springs Cons ISD, Castleberry ISD, Celina ISD, Center ISD, Centerville ISD (Trinity), Central ISD, Chapel Hill ISD (Smith), Cherokee ISD, Childress ISD, Chillicothe ISD, Chilton ISD, Chisum ISD, Christoval ISD, Clarendon ISD, Cleburne ISD, Clint ISD, Coldspring-Oakhurst Cons ISD, Coleman ISD, Colmesneil ISD, Colorado ISD, Columbia-Brazoria ISD, Commerce ISD, Community ISD, Connally ISD, Coolidge ISD, Cooper ISD, Corpus Christi ISD, Corrigan-Camden ISD, Cotton Center ISD, Cotulla ISD, Coupland ISD, Covington ISD, Crandall ISD, Crosbyton Cons ISD, Crowell ISD, Crystal City ISD, Cuero ISD, Culberson County-Allamore ISD, Cumby ISD, Danbury ISD, De Leon ISD, Dekalb ISD,

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Denison ISD, Desoto ISD, Detroit ISD, Devine ISD, D'Hanis ISD, Diboll ISD, Dickinson ISD, Dilley ISD, Dodd City ISD, Donna ISD, Dublin ISD, Early ISD, Eastland ISD, Ector ISD, Edgewood ISD (Van Zandt), Edinburg Cons ISD, El Paso ISD, Elgin ISD, Ennis ISD, Era ISD, Etoile ISD, Eula ISD, Eustace ISD, Evant ISD, Everman ISD, Excelsior ISD, Fabens ISD, Falls City ISD, Fannindel ISD, Farmersville ISD, Ferris ISD, Flatonia ISD, Floresville ISD, Floydada ISD, Frost ISD, Fruitvale ISD, Ft Davis ISD, Ft Hancock ISD, Gainesville ISD, Ganado ISD, Gladewater ISD, Gonzales ISD, Goodrich ISD, Gorman ISD, Grandview ISD, Grand Saline ISD, Granger ISD, Grape Creek ISD, Greenville ISD, Gregory-Portland ISD, Groom ISD, Groveton ISD, Gunter ISD, Hale Center ISD, Hamilton ISD, Hamlin ISD, Hardin ISD, Harlandale ISD, Harleton ISD, Hart ISD, Haskell Cons ISD, Hawley ISD, Hearne ISD, Hedley ISD, Hemphill ISD, Henrietta ISD, Hereford ISD, Hico ISD, Hidalgo ISD, High Island ISD, Hillsboro ISD, Hitchcock ISD, Honey Grove ISD, Howe ISD, Hubbard ISD (Hill), Huckabay ISD, Hudson ISD, Huntington ISD, Huntsville ISD, Hutto ISD, Idalou ISD, Ingram ISD, Iola ISD, Italy ISD, Jacksonville ISD, Jasper ISD, Joaquin ISD, Joshua ISD, Jourdanton ISD, Judson ISD, Kames City ISD, Kaufman ISD, Kemp ISD, Kenedy ISD, Kennedale ISD, Kerens ISD, Kilgore ISD, Kirbyville Cons ISD, Knippa ISD, Knox City-O'Brien ISD, Kopperl ISD, La Pryor ISD, La Vega ISD, La Vernia ISD, La Villa ISD, Lake Dallas ISD, Lake Worth ISD, Lampasas ISD, Lasara ISD, Latexo ISD, Leonard ISD, Leveretts Chapel ISD, Liberty-Eylau ISD, Lindale ISD, Lipan ISD, Little Cypress-Mauriceville Cons ISD, Little Elm ISD, Littlefield ISD, Livingston ISD, Lockney ISD, Lometa ISD, Longview ISD, Lorena ISD, Los Fresnos Cons ISD, Louise ISD, Lubbock ISD, Lueders-Avoca ISD, Lufkin ISD, Lyford Cons ISD, Lytle ISD, Mabank ISD, Madisonville Cons ISD, Mansfield ISD, Marfa ISD, Mart ISD, Martins Mill ISD, Mathis ISD, Maud ISD, McDade ISD, McLeod ISD, Meadow ISD, Mercedes ISD, Mesquite ISD, Milano

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ISD, Miles ISD, Milford ISD, Miller Grove ISD, Millsap ISD, Mineola ISD, Mineral Wells ISD, Moran ISD, Morton ISD, Motley County ISD, Mount Enterprise ISD, Mount Pleasant ISD, Muenster ISD, Muleshoe ISD, Mullin ISD, Mumford ISD, Munday Cons ISD, Nacogdoches ISD, Navarro ISD, Navasota ISD, Needville ISD, New Boston ISD, New Diana ISD, New Home ISD, Newcastle ISD, Newton ISD, Nixon-Smiley Cons ISD, North Forest ISD, North Lamar ISD, Northside ISD (Wilbarger), Novice ISD, Nueces Canyon Cons ISD, Odem-Edroy ISD, Oglesby ISD, Olfen ISD, Olney ISD, Olton ISD, Onalaska ISD, Orangefield ISD, Ore City ISD, Paducah ISD, Palestine ISD, Palmer ISD, Panther Creek Cons ISD, Paradise ISD, Paris ISD, Patton Springs ISD, Pearsall ISD, Peaster ISD, Penelope ISD, Petersburg ISD, Petrolia ISD, Pettus ISD, Pflugerville ISD, Pharr-San Juan-Alamo ISD, Pilot Point ISD, Poolville ISD, Poteet ISD, Poth ISD, Prairiland ISD, Presidio ISD, Priddy ISD, Princeton ISD, Quanah ISD, Queen City ISD, Quinlan ISD, Rains ISD, Ralls ISD, Ramirez CSD, Ricardo ISD, Rice ISD, Richland Springs ISD, Rio Hondo ISD, Rising Star ISD, River Road ISD, Robinson ISD, Robstown ISD, Rogers ISD, Roosevelt ISD, Ropes ISD, Rosebud-Lott ISD, Rotan ISD, Roxton ISD, Royse City ISD, Rule ISD, Rusk ISD, S and S Cons ISD, Sabine ISD, Sam Rayburn ISD, San Angelo ISD, San Antonio ISD, San Augustine ISD, San Elizario ISD, San Perlita ISD, San Saba ISD, San Vicente ISD, Sanford-Fritch ISD, Santa Anna ISD, Santa Rosa ISD, Santo ISD, Savoy ISD, Schulenburg ISD, Scurry-Rosser ISD, Seguin ISD, Seymour ISD, Shallowater ISD, Shamrock ISD, Sidney ISD, Silsbee ISD, Simms ISD, Sinton ISD, Skidmore-Tynan ISD, Slaton ISD, Smithville ISD, Smyer ISD, Snook ISD, Socorro ISD, Somerville ISD, South San Antonio ISD, Southland ISD, Southside ISD, Southwest ISD, Spring Hill ISD, Spring ISD, Springlake-Earth ISD, Springtown ISD, Spurger ISD, Stamford ISD, Star ISD, Stephenville ISD, Stockdale ISD, Strawn ISD, Sulphur Bluff ISD, Sulphur Springs ISD, Sweetwater ISD, Taft ISD, Tahoka ISD,

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Taylor ISD, Temple ISD, Terlingua CSD, Texline ISD, Thorndale ISD, Thrall ISD, Timpson ISD, Tioga ISD, Tolar ISD, Tornillo ISD, Trenton ISD, Trinity ISD, Troy ISD, Tulia ISD, Tyler ISD, Union Grove ISD, Union Hill ISD, United ISD, Valentine ISD, Valley View ISD (Cooke), Van ISD, Venus ISD, Veribest ISD, Vernon ISD, Vidor ISD, Warren ISD, Waskom ISD, Water Valley ISD, Wells ISD, Weslaco ISD, West Hardin County Cons ISD, West Oso ISD, West Sabine ISD, Westphalia ISD, Westwood ISD, Wharton ISD, White Oak ISD, Whitesboro ISD, Whitewright ISD, Whitharral ISD, Whitney ISD, Wichita Falls ISD, Windthorst ISD, Winnsboro ISD, Winona ISD, Woden ISD, Woodsboro ISD, Woodson ISD, Wortham ISD, Ysleta ISD, Zavalla ISD, and Zephyr ISD .

3. Plaintiffs, ALIEF I.S.D., CANUTILLO I.S.D., ELGIN I.S.D., GREENVILLE I.S.D., HILLSBORO I.S.D., HUTTO I.S.D., LAKE WORTH I.S.D., LITTLE ELM I.S.D., NACOGDOCHES I.S.D., PARIS I.S.D., PFLUGERVILLE I.S.D., QUINLAN I.S.D., STAMFORD I.S.D., SAN ANTONIO I.S.D., TAYLOR I.S.D., and VAN I.S.D. are school districts in Texas who are funded through the school finance system.

4. Plaintiff, RANDY PITTENGER owns property in the Belton Independent School District and pays property taxes in the district. His children are no longer in the district schools.

5. Plaintiff, CHIP LANGSTON owns property in the Kaufman Independent School District and pays property taxes in the district. His children are no longer in the district schools.

6. Plaintiff, NORMAN BAKER, owns property in the Hillsboro I.S.D. and pays property taxes in the district. His daughter attends school in the Hillsboro I.S.D.

7. Plaintiff, BRAD KING, owns property in the Bryan I.S.D. and pays property taxes in the district. He does not have children attending school in the district.

8. Plaintiff, SHELBY DAVIDSON is a parent of Cortland, Carli and Casi Davidson

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who are students in the Van I.S.D., and brings this in his individual capacity and as next friend of Cortland Davidson, Carli Davidson, and Casi Davidson. Cortland Davidson is a junior high student, and Carli and Casi are elementary school students.

9. Defendant, MICHAEL WILLIAMS is the Texas Commissioner of Education and has appeared through the Texas Attorney General.

10. Defendant, SUSAN COMBS is the Texas Comptroller of Public Accounts and has appeared through the Texas Attorney General.

11. Defendant, THE STATE BOARD OF EDUCATION is an elected body that sets policy for the Texas Education Agency. The Board has appeared through the Texas Attorney General.

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JURISDICTION AND VENUE

12. This Court has jurisdiction pursuant to Tex.Const. art. 5 § 8 and pursuant to the Texas Uniform Declaratory Judgment Act, § 37.001, *et seq.* of the Texas Civil Practices and Remedies Code.

13. Venue is proper in Travis County, Texas pursuant to § 15.002 (2) (3) and § 15.005 of the Texas Civil Practices and Remedies Code.

INTRODUCTION

14. Before the 82nd Legislature convened in January of 2011, Texas' funding for public education had already become an arbitrary hodge-podge of approaches rather than a coherent system and was inadequate to meet constitutional standards. The hodge-podge was built around a hold-harmless scheme adopted in 2006 called "Target Revenue," that resulted in huge differences in yields for similar tax effort and gave property-wealthy districts unconstitutionally greater access to educational dollars. This constitutional inefficiency was

compounded in 2011 by SB1 passed by the 82nd Legislature which reduced school funding formulas by $4 billion dollars in addition to other cuts in excess of $1 billion. In FY 2012, SB 1 makes across-the-board percentage reductions to districts' regular program funding. These losses in already low-funded districts have a harsher impact than similar cuts to a much higher funded district. In FY 2013, SB 1 cuts more from districts with Target Revenue, but limits their losses so that they will still have greater resources than the lower wealth districts.

15. Taxpayers in low wealth districts who are willing to tax themselves at the highest rates allowed are unable to access the same dollars for education as taxpayers in high wealth districts who tax themselves at lower rates. Nacogdoches ISD adopted the $1.17 maximum M&O tax rate in 2010-11, earning $5,487 per WADA, at the same time that Eanes ISD adopted a $1.04 tax rate and received $6,881. In return for a 13 cent higher tax rate paid by Nacogdoches ISD taxpayers, the state funding system rewarded Nacogdoches school children with $1,394 fewer dollars per WADA and over $10,000,000 fewer dollars total than they would have had at the Eanes funding level.

16. In 2010-11, at $1.00 tax rate in Tier 1, Austin I.S.D. with approximately 100,000 WADA was funded at $6,100 per WADA and Fort Worth I.S.D. at the same tax rate with similar WADA was funded at $5,100 per WADA, an overall funding gap of $1,000 per WADA. This difference in funding provides Austin I.S.D. with about $100 million per year more than the same tax effort makes available to Fort Worth I.S.D.

17. Substantial funding gaps exist throughout the system, with districts taxing at lower rates but receiving substantially more than corresponding districts taxing at higher rates. This is true for both Maintenance and Operations as well as Interest and Sinking funds for facilities.

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