



La Fe Policy Research and Education Center



*Promoviendo Bienestar para Familias y Comunidad con Conocimiento, Confianza y Poder
Promoting Family and Community Well-being through Knowledge, Trust and Empowerment*

June 2, 2011

Testimony on State Budget Cuts for the 2012 and 2013 Biennium Senate Committee on Finance and House Appropriation Committee

Dear Committee Members:

Good morning, I am Juan H. Flores, Executive Director, La Fe Policy Research and Education Center based in San Antonio. We are an organization that is engaged in efforts to create responsive changes to social and health policy impacting Mexican Americans through *policy analysis, education, leadership, and civic involvement*.

I am asking that you reconsider relying on draconian state funding cuts as the answer to addressing our state's budget deficit. The Texas population growth, particularly among school-age children and seniors, demands strengthening public schools and higher education, creating new jobs, and improving our social and health safety nets. The budget decisions will worsen already existing unmet needs and don't even consider the impact from the 20.6% growth in the state's population now at 25,145,561. More specifically, 65% of the Texas growth is attributed to Latinos. Today, one-in-three Texans are Latino (37.6%) and Latino children make up the majority (50.3%) of students in our public schools.

Every day in Texas people die, are injured, and experience physical, mental, and financial suffering because of major gaps in our state's health care system in access, quality, and costs. This situation is exacerbated because of conditions of poverty, low education, poor housing and other neighborhood environmental conditions. The reality is that many Texans', particularly low-income and people of color such as Mexican Americans and African Americans, experience these problems more than we want to admit or even care about. Increasingly, a growing number of the 'middle-class' have lost their job, insurance, and their home thereby increasing health and financial pain.

Historically, and to date, Mexican Americans in Texas continue to face inequities and disparities in education, health and poor neighborhood environmental conditions negatively impacting their *bienestar* (well-being). It's reflected in disproportionate higher enrollment in poor resourced public schools, higher high school drop-out rates, low-wage employment, and the highest number of uninsured (38%), and poorer health conditions. Our former state demographer warned that the future of Texas will be highly conditioned on how well the 'new majority minority' population does in education, employment, and health.

Therefore, the 2012-13 budget cuts proposed will harm both the future of Mexican Americans and the health and financial security of all Texans. We must have a balanced approach between addressing the state's underlying structural budget deficits and investments that support economic and health security for Texas families. Shared prosperity and responsible government must be our goal as opposed to:

- Underfunding Medicaid further hurting health care access for children and seniors, even while we have the highest number of uninsured in the country and recurring problems with elder care.
- Making severe cuts to public health and primary care such as tobacco prevention, community health clinics, and family planning thereby contributing to poorer health and higher costs.

- Moving toward permanently lowering our commitment to public education, yet we currently rank last in the nation in the percentage of people with a high school diploma.
- Refusing to account for every student getting an education in our state by cutting \$4.9 billion from public education.
- Knowingly writing a budget that will run out of money by the beginning of 2013, which will only lead to greater deficit problems as we continue to kick the budget can down the road.

The budget decisions being considered in the current Special Session will have more long-term, permanent effects on revenue problems for decades to come. For example, the deep two-year cuts in education would be perpetuated by related bills shrinking the state's funding commitments for the foreseeable future. Texas schoolchildren would have fewer teachers, larger class sizes, fewer support staff, and reduced educational services. With a balanced budget approach, we could fund priorities like public education, healthcare and care for our seniors, by tapping the \$9 billion in Rainy Day Fund money, closing corporate tax loopholes and making sure Fortune 500 companies pay their share in our great state.

We ask that you reconsider the devastating budgets cuts and make decisions that support:

- Using all of the Rainy Day Funds thereby retaining jobs for our teachers to meet the educational needs of our students, and not make the deep cuts in Medicaid and other healthcare programs to continue improving the health of our citizens.
- Close corporate loopholes, such as the high-cost natural gas exemption, rather than balance the budget on the backs of children, the elderly, and people with disabilities.

We ask that you listen to the majority and not minority who only support the budget-slashing approach. Nine out of 10 Texans in a recent poll say they oppose cutting public education and children's health care, yet that's exactly what this budget does. The rate of Texas voters who oppose cuts to public education is over twice as high as the rate that opposes using the Rainy Day Fund.

Equitable access to a quality education and health care is essential because without them, opportunities to learn, work, earn a living wage and create wealth, and be a productive Texan are all diminished. For many Mexican Americans, the budget cuts worsen the current inequities which cannot continue nor will they be accepted. Mexican Americans are tax-payers who want to create a future with their vote.

Thank you,

Juan H. Flores

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