

Anticipating the Consequences of School District Consolidation in Major Metropolitan Areas

A Simulation Based on Cost Function Analysis

Executive Summary

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Senate Bill (SB) 2 (83rd Texas Legislature, Regular Session) added Section 12.1013 to the Texas Education Code (TEC). Among other provisions, this new section requires the Texas traditional campuses would likely improve if there were consolidation of school districts within
clarifies that the

least 10 open-
potential gains from school district consolidation in the five counties that match that
description Bexar, Dallas, Harris, Tarrant and Travis.

Consolidating all of the school districts in each of these five counties would create new districts that are very large by Texas and national standards. With an enrollment of just over 803,000 students, the consolidated Harris County Independent School District (ISD) would be the second largest school district in the country (behind only New York City Schools). The consolidated Dallas County ISD (enrollment 437,642) would be the fourth largest school district in the country, ahead of the Chicago Public School system, but smaller than Los Angeles

The analysis supports three key findings.

Cost savings can be expected for consolidations involving small districts, but as the size of the consolidated district increases past 3,200 students, costs are expected to rise, not fall.

Competitive pressure leads to greater school district efficiency in Texas, so any consolidation is expected to lead to a loss of school district efficiency.