

BILL ANALYSIS

Senate Research Center
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S.B. 1447
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Education
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DIGEST AND PURPOSE

Currently, the total amount of funding to which a school district is entitled is based on many factors, one of which is the number of students who qualify for compensatory education funding. The increase in funding that a district receives for the compensatory education allotment is reduced to save the state money to be used to fund “set aside” programs. However, property wealthy districts do not have their compensatory education allotment similarly reduced to fund “set aside” programs, even though these districts benefit from the programs. As proposed, S.B. 1447 directs the commissioner of education to adjust the state public education funding formulas to require all districts to contribute to the cost of funding “set aside” programs.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the commissioner of education in SECTION 4 (Section 42.160, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 42.151(1), Education Code, to delete wording related to the requirement of the commissioner of education (commissioner) to reduce each district’s allotment and allocate funds.

SECTION 2. Amends Sections 42.152, Education Code, to require the commissioner to withhold, from the total amount of funds appropriated for allotments under this section, the amount that the commissioner considers appropriate to finance intensive accelerated instruction programs and study guides provided under Sections 39.024(b) and (c). Deletes wording related to retaining or reducing certain funds for school districts.

(h) Deletes wording related to the commissioner reducing each district’s tier one allotments.

(i) Makes a conforming change.

(j) Deletes wording relating to the commissioner reducing each district’s tier one allotments.

(l) Deletes wording related to the commissioner reducing each district’s allotment and allocating certain funds.

(o) Makes conforming changes.

SECTION 3. Amends Section 42.154(e), Education Code, to delete wording related to the commissioner reducing each district’s tier one allotment.

SECTION 4. Amends Chapter 42C, Education Code, by adding Sections 42.159 and 42.160, as follows:

Sec. 42.159. AMOUNTS WITHHELD FROM SPECIAL ALLOTMENTS. Requires the commissioner to:

- compute the total amount withheld, under this subchapter or the General Appropriations Act, from the total amount of special allotments under this subchapter to which school districts are entitled; and
- reduce each district's total entitlement under this chapter by an amount determined by a method under which the application of the same number of cents of increase in tax rate in all districts applied to the adjusted taxable value of property of each district results in a total levy equal to the total reduction.

(b) Sets forth the adjustable taxable value of property of a district, for the purposes of this section.

Sec. 42.160. PAYMENT FOR REDUCTION IN TOTAL ENTITLEMENT. Requires a school district that is required to take action under Chapter 41 to reduce its wealth per student to the equalized wealth level to remit to the commissioner an amount equal to the total amount by which the district's total entitlement under this chapter is reduced under Section 42.159. Requires a school district whose total entitlement under this chapter is less than the amount by which that entitlement is reduced under Section 42.159 to remit to the commissioner the amount by which the reduction exceeds the amount of the entitlement. Requires the commissioner to adopt rules to administer this section, including rules specifying the time by which a school district must remit funds under this section. Authorizes the commissioner to use funds received under this section only for a purpose for which amounts are withheld under this subchapter or the General Appropriations Act. Authorizes the commissioner, if a school district does not remit funds as required by this section, to take any action permitted by Section 42.258.

SECTION 5. Amends Section 7.024(a), Education Code, to make a conforming change.

SECTION 6. Amends Section 33.001, Education Code, to make a conforming change.

SECTION 7. Amends Section 39.024(c), Education Code, to delete wording related to the commissioner retaining a portion of certain funds.

SECTION 8. Repealer: Section 42.156(d), Education Code.

SECTION 9. Effective date: September 1, 2001.