

## **BILL ANALYSIS**

Senate Research Center  
78R2459 ESH-D

S.B. 329  
By: Shapiro  
Education  
2/26/2003  
As Filed

### **DIGEST AND PURPOSE**

Currently, the Texas school finance system, resulting from court directives for equitable funding of Texas schools, redistributes property tax revenues from property wealthy districts to poorer districts. This ensures substantially equal revenue for substantially equal property tax effort. Although considered a hallmark in equity, critics see the system as the cause for the leveling down in education programs. The system threatens many school districts ability to meet students' needs, tax rates have increased, and many districts have reached the \$1.50 cap and have no access to additional revenue. As proposed, S.B. 329 sunsets the school finance portions of the Education Code on September 1, 2005.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Repealer: Chapter 41 (Equalized Wealth Level), Chapter 42 (Foundation School Program), Chapter 45 (School District Funds), and Chapter 46 (Assistance with Instructional Facilities and Payment of Existing Debt), Education Code.

SECTION 2. Prohibits an independent school district (ISD) from adopting a tax rate for the 2005 tax year. Authorizes, notwithstanding the repeal of Chapter 45, Education Code, an ISD to collect and use delinquent ad valorem taxes imposed for the 2004 or an earlier tax year, after September 1, 2005.

SECTION 3. Effective date: September 1, 2005.