

BILL ANALYSIS

Senate Research Center
80R4254 JRD-D

S.B. 2
By: Ogden
Finance
2/12/2007
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

As proposed, S.B. 2 makes an additional appropriation to the Texas Education Agency under the Foundation School Program to fund school district property tax rate reductions.

For state fiscal years 2008 and 2009, all amounts in the property tax relief fund are appropriated for this purpose, yet if the amounts available from the property tax relief fund are less than \$6,956,400,000 and \$7,234,700,000 respectively, the additional amount necessary is appropriated from the Foundation School Fund. In addition to amounts appropriated in this legislation, any unexpected balance from fiscal year 2008 is appropriated to the Texas Education Agency for fiscal year 2009. If there are insufficient amounts in the property tax relief and foundation school funds to support the fiscal year 2008 appropriation, this legislation permits appropriated amounts for fiscal year 2009 to be transferred.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. (a) Appropriates the following amounts to the Texas Education Agency under the Foundation School Program to fund school district property tax rate reductions for all or part of the state fiscal biennium ending August 31, 2009:

(1) All amounts in the property tax relief fund (an estimated \$4,231,466,000) for the state fiscal year ending August 31, 2008, and provides that if the amounts available for that fiscal year are less than \$6,956,400,000, then the additional amount necessary is appropriated from the foundation school fund.

(2) All amounts in the property tax relief fund (an estimated \$3,846,492,000) for the state fiscal year ending August 31, 2009, and provides that of the amounts available are less than \$7,234,700,000, then the additional amount necessary is appropriated from the foundation school fund.

(b) Appropriates any unexpended balance of the amount appropriated for the state fiscal year ending August 31, 2008, under Subsection (a)(1) to the Texas Education Agency for the purpose described by Subsection (a) for the state fiscal year ending August 31, 2009, in addition to the amounts appropriated under Subsection (a)(2).

(c) Authorizes the commissioner of education, if there are insufficient amounts in the property tax relief and foundation school funds to support the entire appropriation for the state fiscal year ending August 31, 2008, and with prior approval of the governor and the Legislative Budget Board, to transfer appropriated amounts under Subsection (a)(2) for the state fiscal year ending August 31, 2009, in an amount less than the amount necessary to cover the shortfall, and spend the transferred amounts for the purpose described in Subsection (a) during the state fiscal year ending August 31, 2008. Requires the comptroller of public accounts to transfer money as necessary from the general revenue funds or other available sources to the foundation school fund to accomplish an approved transfer of appropriations between fiscal years under this subsection and reduce the

permitted appropriated amount under Subsection (a)(2) of this section from the foundation school fund accordingly.

SECTION 2. Effective date: September 1, 2007.