

SUBJECT: Reducing the amount for a school district to purchase attendance credit

COMMITTEE: Public Education — committee substitute recommended

VOTE: 10 ayes — Buckley, Allison, Cunningham, Cody Harris, Harrison,
Hefner, Hinojosa, K. King, Schaefer, Talarico

0 nays

3 absent — Allen, Dutton, Longoria

WITNESSES: For —Zach Simmons, Gregory-Portland ISD and Texas School Coalition;
Christy Rome, Texas School Coalition; Mark Goloby (*Registered, but did not testify*: Tricia Cave, Association of Texas Professional Educators;
Louann Martinez, Dallas ISD; Ryan Brannan, Galveston ISD; Nicole Nolen, Gregory-Portland ISD and Texas School Coalition; Douglas Killian, Pflugerville ISD; Nancy Humphrey, Plano ISD; Barry Haenisch, Texas Association of Community Schools; Amy Beneski, Texas Association of School Administrators; Raif Calvert, Texas Association of School Boards; Amanda Brownson, Texas Association of School Business Officials; Laura Clark; Sophia DeLoretto-Chudy; Daphne Hoffacker; Heather Sheffield)

Against — (*Registered, but did not testify*: Chloe Latham Sikes, Intercultural Development Research Association; Diana Long; Babs Miller)

On — (*Registered, but did not testify*: Eric Marin, James Terry, Texas Education Agency; Carrie Griffith, Texas State Teachers Association)

BACKGROUND: Education Code ch. 49, subch. D allows for a school district with a local revenue in excess of entitlement to execute an agreement with the commissioner of education to purchase attendance credit in an amount sufficient to reduce the district's local revenue level to a certain level.

Some have suggested that re-introducing an early payment agreement

credit for school districts could provide certain districts with relief from recapture and allow the state to collect recapture payments early to provide the benefit of interest on those funds.

DIGEST: CSHB 3028 would reduce the total amount required for a school district to purchase attendance credit for any school by 4 percent if the district:

- elected to pay for the credit purchased in one payment for the total amount required to be paid by the district no later than August 15 of the school year for which the agreement was in effect; and
- paid the total required amount no later than February 15 of the school year for which the agreement was in effect.

A reduction would be made after making any other reductions to which the district was entitled.

The bill would take effect September 1, 2023.

NOTES: According to the Legislative Budget Board, the cost to the state of the bill for the biennium would be \$384,039,883.