

BILL ANALYSIS

Senate Research Center
76R7103 KKA-D

S.B. 1139
By: Wentworth
Education
4/6/1999
As Filed

DIGEST

Currently, certain some small school districts that do not offer all grades through 12 are rated as having a higher property wealth per pupil than actually is the case, and a few are rated as "Budget Balanced Districts." The districts contract out with other districts for students beyond their home district's grade level offering. The sending district's remaining students, not the total resident students, are then used to determine property wealth, which establishes eligibility for School Foundation Funds. The result is a higher property wealth per pupil, significantly reducing the amount of foundation funds for which that district is eligible. S.B.1139 would establish provisions relating to the taxable value of property of a school district that does not offer each grade level from kindergarten to 12th grade.

PURPOSE

As proposed, S.B. 1139 establishes provisions relating to the taxable value of property of a school district that does not offer each grade level from kindergarten to 12th grade.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 42B, Education Code, by adding Section 42.106, as follows:

Sec. 42.106. ADJUSTED PROPERTY VALUE FOR DISTRICTS NOT OFFERING ALL GRADE LEVELS. Provides that the taxable value of property of a school district that contracts for students residing in the district to be educated in another district is adjusted by applying the formula: $ADPV = DPV - (TH/.015)$. Defines "ADPV," "DPV," and "TN."

SECTION 2. Effective date: September 1, 1999.