

## **BILL ANALYSIS**

Senate Research Center  
76R4625 ESH-D

S.B. 540  
By: Shapiro  
Education  
4/6/1999  
As Filed

### **DIGEST**

Currently, Texas law permits school districts to generate local tax revenues for local enrichment without the requirement of revenue equalization. However, recapture continues to overreach into local enrichment revenues. S.B. 540 would establish provisions regarding the purchase of attendance credits under the foundation school program.

### **PURPOSE**

As proposed, S.B. 540 establishes provisions regarding the purchase of attendance credits under the foundation school program.

### **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 41D, Education Code, by amending Sections 41.091 and 41.093 and by adding Section 41.0911, as follows:

Sec. 41.091. DEFINITION; COST OF ACCREDITED EDUCATION. Defines “accredited education.” Establishes that the annual cost of an accredited education is \$3,900 for each student in weighted average daily attendance.

Sec. 41.0911. AGREEMENT. Establishes that a school district is eligible to purchase attendance credits under this subchapter only if the district has an effective maintenance and operations tax rate equal to or greater than that necessary, when applied to a tax base equal to the equalized wealth level, to provide the cost of an accredited education for one student. Makes a conforming change.

Sec. 41.093. COST. Establishes that the cost of each credit is an amount equal to the cost of an accredited education. Deletes text regarding the method for calculating the cost of each credit, and information relating to maintenance and operations tax exclusions.

SECTION 2. Provides that this Act applies beginning with the 1999-2000 school year.

SECTION 3. Emergency clause.  
Effective date: upon passage.