

BILL ANALYSIS

Senate Research Center

S.B. 595
By: Nelson
Education
3/30/1999
As Filed

DIGEST

Currently, more than 80 percent of all enrollment growth over the past five years has been concentrated in just 12 percent of Texas school districts, which means that 122 school districts have absorbed almost 290,000 students since 1992-1993. "Fast-growth districts" bear more than 70 percent of all outstanding school bond debt due to the growing numbers of students placing increased demands for facilities and the budgets that operate them. S.B. 595 would establish state funding for school district debt service when it exceeds the district enrichment and facilities tax rate.

PURPOSE

As proposed, S.B. 595 establishes state funding for school district debt service when it exceeds the district enrichment and facilities tax rate.

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 Section 42.303, Education Code, to prohibit the district enrichment and facilities tax rate (DTR) from exceeding a certain amount except as provided for in Subsection (b). Authorizes the DTR to exceed the limit in Subsection (a) for taxes to pay debt service on bonds only if certain conditions exist.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.