

BILL ANALYSIS

Senate Research Center
77R7662 ESH-D

S.B. 1187
By: Wentworth
Education
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As Filed

DIGEST AND PURPOSE

Current school finance formulas result in extreme diseconomies of scale for districts with fewer than 400 average daily attendance. As proposed, S.B. 1187 provides a new education funding formula that addresses these diseconomies of scale for the smallest school districts--those with up to 400 average daily attendance.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 42.103, Education Code, as follows:

Sec. 42.103. New heading: SMALL AND MID-SIZED DISTRICT ADJUSTMENTS. Provides that the basic allotment of a school district that has not more than 400 students in average daily attendance is adjusted by applying the formula that, of the certain formulas, results in the greatest adjusted allotment. Provides that Subsection (b) applies beginning with the 2005-2006 school year. Provides that for 2002-2003, 2003-2004, and 2004-2005 school years, the basic allotment of a school district that has not more than 400 students in average daily attendance is adjusted by applying the formula that, of certain formulas, results in the greatest adjusted allotment. Provides that Subsection (b-1) and this subsection expire September 1, 2005. Provides that the basic allotment of a school district that offers a kindergarten through grade 12 program and has less than 5,000 students in average daily attendance is adjusted by applying the formula that, of the certain formulas, results in the greatest adjusted allotment. Deletes text regarding certain formulas. Authorizes the commissioner of education (commissioner) to make the adjustment authorized by Subsection (e)(2), rather than (d)(3), only if the district's wealth per student does not exceed the equalized wealth level under Section 41.002. Makes a conforming change.

SECTION 2. Effective date: September 1, 2001.