

BILL ANALYSIS

Senate Research Center
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S.B. 1387
By: Armbrister
Education
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As Filed

DIGEST AND PURPOSE

Generally, when a school district loses weighted average attendance (WADA) or average daily attendance (ADA), costs do not go down at the same rate as revenue under the current system. Shortfalls in anticipated revenue due to a drop in WADA and ADA, can have a negative influence on the continuity of district programs. As proposed, S.B. 1387 sets forth that if a district's WADA or ADA is less than in the preceding year, the current year's WADA or ADA is required to be adjusted by the full amount of the decline for state funding purposes.

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 42.001, Education Code, by adding Subsection (c), to provide that it is the policy of this state to recognize that a district that experiences a decline in student enrollment from one school year to the next does not necessarily experience a corresponding decline in costs, as some costs are fixed and cannot be reduced, while others represent contractual obligations a district is required to meet. Provides that this state recognizes that declining enrollment may require the board of trustees to choose between raising district ad valorem taxes or cutting educational programs, either of which may be detrimental to the district and its students and residents. Requires the average daily attendance or the weighted average daily attendance of a school district that experiences a decline in student enrollment to be adjusted as provided by Section 42.005 or 42.2523, as applicable.

SECTION 2. Amends Section 42.005, Education Code, by amending Subsections (b)-(d) and adding Subsection (e), to require the commissioner of education (commissioner) to adjust the average daily attendance of a school district that experiences a decline in average attendance to the actual average daily attendance of the preceding school year. Deletes text regarding a school district that experiences a two percent reduction or more as a result of reduction in personnel of a military base. Provides that this section does not apply to a school district that is required to take action under Chapter 41 to reduce its wealth per student to the equalized wealth level. Makes a conforming change.

SECTION 3. Amends Chapter 42E, Education Code, by adding Section 42.2523, as follows:

Sec. 42.2523. ADJUSTMENT FOR DECLINE IN WEIGHTED AVERAGE DAILY ATTENDANCE. Prohibits the commissioner from adjusting both the weighted average daily attendance of a school district under this section and the average daily attendance of the district under Section 42.005, but is required to use the adjustment that produces the greater amount of state aid for the district. Defines "weighted average daily attendance." Makes a conforming change.

SECTION 4. Amends Sections 25.112(a) and (b), Education Code, to provide that the limitation in enrollment in this Section does not apply during a certain period of the school year by the district, in the

case of a district whose average daily attendance is adjusted under Section 42.005(d), rather than 42.005(c). Makes a conforming change.

SECTION 5. Effective date: September 1, 2001.