

BILL ANALYSIS

Senate Research Center
77R2692 ESH-D

S.B. 1766
By: Bivins
Education
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As Filed

DIGEST AND PURPOSE

In 1999, the 76th Legislature created a guaranteed yield for existing school district debt at \$35 per unweighted student yield. Due to budgetary concerns, only debt for which taxes were collected up through the 1998-1999 school year were eligible for the yield. During the interim, school districts have continued to pass bond issues and construct facilities, with a number of those districts receiving state aid through the Instructional Facilities Allotment. However, this allotment was never intended to cover all new debt. As proposed, S.B. 1766 updates the eligibility for the Existing Debt Allotment to the 2000-2001 school year so that certain school districts with new debt are eligible for the state guaranteed yield.

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 46.033, Education Code, to provide that bonds, including bonds issued under Section 45.006, are eligible to be paid with state and local funds under this subchapter if taxes levied to pay the principal of and interest on the bonds were included in the district's audited debt service collections for the 2000-2001, rather than the 1998-1999, school year.

SECTION 2. Effective date: September 1, 2001.