

BILL ANALYSIS

Senate Research Center
77R3365 ESH-D

S.B. 552
By: Shapleigh
Education
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As Filed

DIGEST AND PURPOSE

Currently, only the poorest school districts qualify for state assistance for funding facilities through the Instructional Facilities Allotment, leaving many districts without state assistance. However, the Texas Supreme Court warned that the state must sufficiently address funding for facilities or it will have abrogated its constitutional duty to provide a free and efficient system of public schools. As proposed, S.B. 552 expands the state's facilities funding program to provide equalized funding for all school districts in the state.

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 46.003(a), Education Code, by adding Section 46.0051 to the list of exceptions relating to funds guaranteed to a school district.

SECTION 2. Amends Chapter 46A, Education Code, by adding Section 46.0051, as follows:

Sec. 46.0051. TWO-YEAR LIMIT ON ASSISTANCE. Prohibits a school district from receiving assistance under this subchapter for more than two years. Provides that the district is entitled to assistance under Subchapter B after the two-year period.

SECTION 3. Amend Section 46.033, Education Code, to provide that bonds, including bonds issued under Section 45.006, can 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 at least one school year during the state fiscal biennium preceding the biennium in which the district first receives assistance under this subchapter for the payment of principal and interest on the bonds, rather than the 1998-1999 school year.

SECTION 4. Amends Sections 46.034(a) and (c), Education Code, to provide that the existing debt tax rate under Section 46.032 may not exceed the greater of certain amounts. Prohibits a district from receiving aid in excess of a certain amount if the amount required to pay the principal of and interest on eligible bonds in a school year is less than the district's audited debt service collections for the final school year of the state fiscal biennium preceding the biennium in which the district first receives assistance under this subchapter for the payment of principal and interest on bonds, rather than the 1998-1999 school year.

SECTION 5. Effective date: September 1, 2001.