## BILL ANALYSIS

## AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Small schools are experiencing a serious loss of funding because of declining enrollment. As proposed, S.B. 597 allows school districts with fewer than 1,600 students in average daily attendance (ADA) to use the previous year's enrollment if they have a decline of two percent or greater in any one year. S.B. 597 also contains language providing protection for certain school districts with 1,600 or more students in ADA which are also experiencing declining enrollments.

## 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 42.005(b), Education Code, as follows:
(b)(1) Amends the formula for computing the average daily attendance for certain school districts with a declining enrollment to include as a factor that the district has fewer than 1,600 students in average daily attendance in the current school year.
(b)(2) Amends the formula for computing the average daily attendance for certain school districts with a declining enrollment to include as a factor that the district has 1,600 or more students in average daily attendance in the current school year.

SECTION 2. Effective date: September 1, 2005.

