

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 1081
By: Arévalo et al. (Watson)
Education
5/22/2017
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 1081 broadens the definition of what qualifies for the New Instructional Facilities Allotment (NIFA), by including renovation and leasing of existing buildings. Under current law, a district can only receive NIFA funds for a newly constructed facility. However, some districts, in attempts to be more efficient with their resources, choose to renovate or lease space, rather than build a new facility. H.B. 1081 properly incentivizes districts to make the most economically responsible choice rather than just choosing to build a new facility. (Original Author's / Sponsor's Statement of Intent)

C.S.H.B. 1081 amends current law relating to the new instructional facility allotment under the foundation school program.

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 Sections 42.158(b), (d-1), and (g), Education Code, as follows:

(b) Increases from \$250 to \$1,000 the allotment that a school district (district) is entitled to for each student in average daily attendance (ADA) at a new instructional facility (facility) for the first school year (year). Increases from \$250 to \$1,000 the allotment that a district is entitled to for each additional student in ADA at a new facility for the second year.

(d-1) Requires the commissioner of education to first apply the funds appropriated under this subsection to prevent any reduction under Subsection (d) (relating to prohibiting the amount appropriated for certain allotments from exceeding \$25 million in a year) in the allotment for attendance at an eligible high school facility, subject to the maximum amount of \$1,000, rather than \$250, for each student in ADA. Authorizes any funds remaining after preventing all reductions in amounts due for high school facilities to be applied proportionally to all other eligible facilities, subject to the maximum amount of \$1,000, rather than \$250, for each student in ADA.

(g) Provides that in this section (New Instructional Facility Allotment):

(1) creates this subdivision from existing text and makes nonsubstantive changes.

(2) Defines "new instructional facility" to include a newly constructed facility, a repurposed facility, and a leased facility operating for the first time as a facility with a minimum lease term of not less than 10 years.

SECTION 2. Provides that a district that is entitled under Section 42.158, Education Code, to receive funding in the 2017-2018 year for the second year of student attendance at a new facility is entitled for that year to the amount provided for the second year of student attendance as a result of the changes in law made by this Act.

SECTION 3. Effective date: September 1, 2017.