

## BILL ANALYSIS

Senate Research Center  
85S10740 KJE-D

S.B. 16  
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Education  
7/20/2017  
As Filed

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

S.B. 16 establishes the Texas Commission on Public School Finance (commission) to develop and make recommendations for improvements to the current public school finance system or for new methods of financing public schools in Texas.

The commission will be composed of 13 members, consisting of the following:

- Four appointed by the governor:
  - Appointees must have an interest in public education and must include at least one member of the business community and one member of the civic community;
- Four appointed by the lieutenant governor:
  - Three members of the senate;
  - One public member who is a public school administrator or elected school board member;
- Four appointed by the speaker of the house of representatives:
  - Three members of the house of representatives
  - One public member who is a public school administrator or elected school board member; and
  - One member of the State Board of Education (SBOE), as designated by the chair of SBOE.

The governor will appoint the presiding officer of the commission.

The commission is designed to study—including but not limited to—the purpose and relationship between state and local funding in a public school funding system as well the appropriate levels of Maintenance and Operation (M&O) and Interest and Sinking (I&S) tax effort necessary to properly implement a public school finance system under the Texas Constitution.

The commission will also recommend policy changes to the Texas public school system related to demographic and geographic adjustments. The commission shall deliver a report to the legislature and the governor by December 31, 2018.

The commission will be abolished on January 8, 2019, and the subchapter creating the commission expires on January 8, 2019, as well.

Appointments to the commission must be made by the 30th day after the effective date of the Act.

As proposed, S.B. 16 amends current law relating to the creation of a commission to recommend improvements to the public school finance system.

### **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 Chapter 42, Education Code, by adding Subchapter L, as follows:

#### **SUBCHAPTER L. TEXAS COMMISSION ON PUBLIC SCHOOL FINANCE**

Sec. 42.601. DEFINITION. Defines "commission."

Sec. 42.602. TEXAS COMMISSION ON PUBLIC SCHOOL FINANCE. (a) Establishes and sets forth the purpose of the Texas Commission on Public School Finance (TCPSF).

(b) Sets forth the composition of TCPSF.

(c) Requires that TCPSF members appointed by the governor have an interest in public education and include at least one member of the business community and at least one member of the civic community.

(d) Requires that the appointments made by the lieutenant governor and the speaker of the house of representatives each consist of three members of the applicable legislative chamber and an administrator in the public school system or an elected member of the board of trustees of a school district.

Sec. 42.603. PRESIDING OFFICER. Requires the governor to designate the presiding officer of TCPSF.

Sec. 42.604. COMPENSATION AND REIMBURSEMENT. Provides that a member of TCPSF is not entitled to compensation for service on TCPSF but is entitled to reimbursement for actual and necessary expenses incurred in performing TCPSF duties.

Sec. 42.605. ADMINISTRATIVE SUPPORT AND FUNDING. (a) Requires staff members of the Texas Education Agency (TEA) to provide administrative support for TCPSF.

(b) Requires that funding for the administrative and operational expenses of TCPSF be provided by appropriation to TEA for that purpose.

Sec. 42.606. RECOMMENDATIONS. (a) Requires TCPSF to develop recommendations under this subchapter to address issues related to the public school finance system, including the purpose of the public school finance system and the relationship between state and local funding in that system, the appropriate levels of local maintenance and operations and interest and sinking fund tax effort necessary to implement a public school finance system that complies with the requirements under the Texas Constitution, and policy changes to the public school finance system necessary to adjust for student demographics and the geographic diversity in the state.

(b) Authorizes TCPSF to establish one or more working groups composed of not more than five members of TCPSF to study, discuss, and address specific policy issues and recommendations to refer to TCPSF for consideration.

Sec. 42.607. REPORT. Requires TCPSF, not later than December 31, 2018, to prepare and deliver a report to the governor and the legislature that recommends statutory

changes to improve the public school finance system, including any adjustments to funding to account for student demographics.

Sec. 42.608. PUBLIC MEETINGS AND PUBLIC INFORMATION. (a) Authorizes TCPSF to hold public meetings as needed to fulfill its duties under this subchapter.

(b) Provides that TCPSF is subject to Chapters 551 (Open Meetings) and 552 (Public Information), Government Code.

Sec. 42.609. COMMISSION ABOLISHED; EXPIRATION OF SUBCHAPTER. (a) Provides that TCPSF is abolished January 8, 2019.

(b) Provides that this subchapter expires January 8, 2019.

SECTION 2. Requires the appropriate persons, not later than the 30th day after the effective date of this Act, to make the appointments and designations required by Section 42.602, Education Code, as added by this Act.

SECTION 3. Effective date: upon passage or on the 91st day after the last day of the legislative session.