BILL ANALYSIS

C.S.H.B. 1935 By: King, Ken Public Education Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested observers note that additional state aid for tax reduction payments to school districts are currently declining but that the legislature has also provided for the elimination of the tax reduction program by legislative repeal. The observers contend that this program should not be eliminated by the date currently set. C.S.H.B. 1935 seeks to address this issue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1935 postpones from September 1, 2017, to September 1, 2018, the date on which the following provisions are to take effect as they relate to additional state aid for tax reduction to which a school district is entitled to offset the loss of local tax revenue resulting from previously enacted tax reduction, the amount of Foundation School Program (FSP) funding to which a charter holder is entitled to receive for an open-enrollment charter school, and the adjustment made to district and charter school funding when the amount appropriated for the FSP for the second year of a state fiscal biennium is less than the amount to which the district or school is entitled for that year and the legislature fails to make required transfers or appropriations:

- Section 57.03, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 12.106(a), Education Code
- Section 57.18, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended the heading to Section 42.2516, Education Code
- Section 57.19, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 42.2516(a), Education Code
- Section 57.23, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 42.253(h), Education Code
- Section 57.29, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 26.08(i), Tax Code
- Section 57.32(a), Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which repealed various provisions of the Education Code
- Section 57.32(b), Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session,

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EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1935 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

No equivalent provision.

SECTION 1. Section 57.03, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 12.106(a), Education Code, effective September 1, 2017, is repealed.

SECTION 2. Section 42.2516(i), Education Code, is amended to read as follows:

(i) The <u>legislature</u> by appropriation shall <u>establish</u> the percentage to be applied for purposes of Subsections (b)(1) and (2) and Subsection (d)(1) [is 100.00 percent for the 2011-2012 school year and 92.35 percent for the 2012-2013 school year. For the 2013-2014 school year and each subsequent school year, the legislature by appropriation shall establish the percentage reduction to be applied].

SECTION 3. Section 57.18, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended the heading to Section 42.2516, Education Code, effective September 1, 2017, is repealed.

SECTION 4. Section 57.19, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 42.2516(a), Education Code, effective September 1, 2017, is repealed.

SECTION 5. Section 57.23, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 42.253(h), Education Code, effective September 1, 2017, is repealed.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Notwithstanding Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, the following provisions are effective September 1, 2018:

(1) Section 57.03, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 12.106(a), Education Code;

No equivalent provision.

- (2) Section 57.18, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended the heading to Section 42.2516, Education Code;
- (3) Section 57.19, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 42.2516(a), Education Code;
- (4) Section 57.23, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 42.253(h), Education Code;

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SECTION 6. Section 57.29, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 26.08(i), Tax Code, effective September 1, 2017, is repealed.

SECTION 7. Section 57.32(a), Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which repealed various provisions of the Education Code, is repealed.

SECTION 8. Section 57.32(b), Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which repealed Sections 26.08(i-1) and (j), Tax Code, is repealed.

SECTION 9. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

- (5) Section 57.29, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which amended Section 26.08(i), Tax Code;
- (6) Section 57.32(a), Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which repealed various provisions of the Education Code; and
- (7) Section 57.32(b), Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which repealed Sections 26.08(i-1) and (j), Tax Code.

SECTION 2. Same as introduced version.

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