

- SUBJECT:** Amending certification of school district taxable values to TEA
- COMMITTEE:** Public Education — committee substitute recommended
- VOTE:** 9 ayes — Aycock, Allen, Bohac, Deshotel, Galindo, González, Huberty, K. King, VanDeaver
- 0 nays
- 2 absent — Dutton, Farney
- WITNESSES:** For — None
- Against — None
- On — (*Registered, but did not testify*: Laurie Mann, Texas Comptroller of Public Accounts)
- BACKGROUND:** The Foundation School Program (FSP), established in Education Code, ch. 42, is the primary means of providing state aid to public schools in Texas. Funding levels for schools from the FSP are based on an entitlement calculated for each school district and charter school through formulas established in the Texas Education Code and the general appropriations act. A portion of districts' FSP entitlement may be covered by local property tax revenue.
- Under Government Code, secs. 403.302(j) and (k), for purposes of the FSP, the Comptroller of Public Accounts must certify to the commissioner of education certain taxable values based on the market value of all taxable property for each school district. These include values based on varying homestead exemptions under the Texas Constitution.
- According to the comptroller's office and TEA, many values required under current law no longer are used by TEA for the FSP and the comptroller's office certifies many values not required but that TEA uses. These values often are shared with the Legislative Budget Board, as well.

DIGEST: CSHB 2293 would remove from statute specific taxable values for school districts that the comptroller currently is required to certify to the commissioner of education.

The bill would enable the comptroller, the Texas Education Agency (TEA), and the Legislative Budget Board to enter into an interagency memorandum of understanding under which the comptroller would certify taxable values for each school district to the commissioner of education according to terms decided by the agencies.

The bill would take effect January 1, 2016, and would apply only to certifications made by the comptroller to TEA on or after that date.