

BILL ANALYSIS

Senate Research Center
83R15117 PAM-D

C.S.S.B. 657
By: Paxton
Finance
4/4/2013
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The annual school district budget contains information on the overall financial picture of the school district, including tax rates, debt information, appropriations, capital investments, and explanations of educational programs. Some of the financial information and performance data is also located in the Public Education Information Management System (PEIMS).

C.S.S.B. 657 amends current law relating to procedural requirements for adopting and filing a school district budget.

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 44.004(f), Education Code, to require the board of trustees, at the meeting called for that purpose, to adopt a budget to cover all expenditures for the school district for the next succeeding fiscal year, and requires that a vote to adopt the budget be a record vote.

SECTION 2. Amends Section 44.005, Education Code, as follows:

Sec. 44.005. New heading: ADOPTED BUDGET. (a) Creates this subsection from existing text. Makes no further change to this subsection.

(b) Requires that the filed budget contain a cover page that includes:

(1) one of the following statements in 18-point or larger type accurately describes the adopted budget. Sets forth the required statement options;

(2) the school district property tax rates for the preceding fiscal year and each district property tax rate that has been adopted or calculated for the current fiscal year, including the property tax rate, the effective tax rate, the effective maintenance and operations tax rate, the rollback tax rate, and the debt rate;

(3) the total amount of bonds and other debt obligations owed by the district as of the date of the adoption of the budget;

(4) the computation of the instructional expenditures ratio and instructional employees ratio required to be reported to the commissioner of education under Section 44.0071 (Computation of Instructional Expenditures Ratio and Instructional Employees Ratio); and

(5) the record vote of each member of the board of trustees by name voting on:

(A) the adoption of the budget; and

(B) the setting of the property tax rate for the current fiscal year, if the vote has been taken.

(c) Requires the district to take action to ensure that the cover page of the budget is amended to include the property tax rates required by Subsection (b)(2) and the record vote of each member of the board of trustees by name as required by Subsection (b)(5)(B), if that information is not included on the cover page when the budget is filed with the Texas Education Agency (TEA). Requires the district to file an amended cover page with TEA and take action to ensure that a copy of the amended cover page is posted on the district's Internet website.

SECTION 3. Transfers Section 39.084, Education Code, to Subchapter A, Chapter 44, Education Code, redesignates it as Section 44.0051, Education Code, and amends it as follows:

Sec. 44.0051. POSTING OF ADOPTED BUDGET. (a) Requires the school district, on or before the date described by Section 44.005(a), to post on the district's Internet website a copy of the district's adopted budget, including the cover page required by Section 44.005(b), rather than requires the school district, on final approval of the budget by the board of trustees, to post on the district's Internet website a copy of the budget adopted by the board of trustees.

(b) Requires the district to maintain the adopted budget, including the required cover page, on the district's Internet website for at least three consecutive fiscal years, rather than requiring the district to maintain the adopted budget on the district's Internet website until the third anniversary of the date the budget was adopted.

SECTION 4. Makes application of this Act prospective.

SECTION 5. Effective date: September 1, 2013.