

By: Truitt

H.B. No. 99

A BILL TO BE ENTITLED

AN ACT

relating to monetary incentives for consolidation of services among public school districts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 11, Education Code, is amended by adding Section 11.003 to read as follows:

Sec. 11.003. GRANTS FOR CONSOLIDATED SERVICES AMONG DISTRICTS. (a) In this section, "service" means an administrative, educational, or other service provided by a school district, including a service related to curriculum design, payroll, purchasing, or technology.

(b) The commissioner shall establish a grant program designed to encourage school districts to consolidate services in an effort to improve efficiency and decrease costs related to provision of the services.

(c) From funds appropriated or donated for the purpose, the commissioner shall award grants based on criteria adopted by the commissioner.

(d) To be eligible to receive a grant, a school district must:

(1) apply within the period and in the manner required by the commissioner; and

(2) provide the commissioner with evidence of projected increased efficiency and monetary savings that will

1 result from consolidating services with another district.

2 (e) The commissioner shall determine the amount of a grant  
3 awarded under this section. In making that determination, the  
4 commissioner shall ensure that the grant amount is:

5 (1) based on a percentage of the monetary savings  
6 projected to result from the consolidation of services; and

7 (2) sufficient to encourage school districts to  
8 consolidate services and apply for grants.

9 (f) The commissioner may seek private contributions to  
10 increase the amount of state money available to fund the grant  
11 program.

12 (g) Not later than December 1 of each even-numbered year,  
13 the commissioner shall submit to the legislature a report on the  
14 grant program. The report must include:

15 (1) a description of how the consolidation of services  
16 among school districts affects necessary district operations;

17 (2) a statement of applicable efficiencies of scale,  
18 expressed in measurable terms;

19 (3) the payment schedule used for grants; and

20 (4) a method for computing and documenting  
21 efficiencies resulting from consolidation of services among  
22 districts.

23 SECTION 2. Subject to the availability of funding, the  
24 commissioner of education shall adopt rules necessary to administer  
25 the grant program authorized by Section 11.003, Education Code, as  
26 added by this Act, not later than January 1, 2004.

27 SECTION 3. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as  
2 provided by Section 39, Article III, Texas Constitution. If this  
3 Act does not receive the vote necessary for immediate effect, this  
4 Act takes effect November 1, 2003.