

By: Hochberg

H.B. No. 31

A BILL TO BE ENTITLED

AN ACT

relating to the purchase of attendance credits under the public school finance system.

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

SECTION 1. Sections 41.091 and 41.092, Education Code, are amended to read as follows:

Sec. 41.091. AGREEMENT. (a) A school district with a wealth per student that exceeds the equalized wealth level may execute an agreement with another school district [~~the commissioner~~] to purchase attendance credits in an amount sufficient, in combination with any other actions taken under this chapter, to reduce the purchasing school district's wealth per student to a level that is equal to or less than the equalized wealth level.

(b) An agreement under this section is not effective unless the commissioner certifies that, after all actions taken under this chapter, the wealth per student of each school district involved will be equal to or less than the equalized wealth level.

(c) The agency shall develop a standard contract to be used by a school district in purchasing attendance credits under this section.

Sec. 41.092. TREATMENT OF CREDIT. (a) For [~~each credit purchased, the weighted average daily attendance of the purchasing school district is increased by one student in weighted average~~

1 ~~daily attendance for]~~ purposes of determining whether the
2 purchasing school district or the school district from which
3 credits are purchased exceeds the equalized wealth level:

4 (1) the weighted average daily attendance of the
5 purchasing district is increased by one student in weighted average
6 daily attendance for each credit purchased; and

7 (2) the weighted average daily attendance of the
8 district from which the credits are purchased is decreased by one
9 student in weighted average daily attendance for each credit sold.

10 (b) A credit is not used in determining the [~~a school~~
11 ~~district's~~] scholastic population, average daily attendance, or
12 weighted average daily attendance for purposes of Chapter 42 or 43
13 of the purchasing school district or the school district from which
14 the credit is purchased.

15 SECTION 2. Section 41.093(a), Education Code, is amended to
16 read as follows:

17 (a) The cost of each credit is an amount equal to the greater
18 of:

19 (1) the amount of the purchasing school district's
20 maintenance and operations tax revenue per student in weighted
21 average daily attendance for the school year for which the contract
22 is executed; or

23 (2) the amount of the statewide district average of
24 maintenance and operations tax revenue per student in weighted
25 average daily attendance for the school year preceding the school
26 year for which the contract is executed.

27 SECTION 3. Section 41.096(b), Education Code, is amended to

1 read as follows:

2 (b) The ballot shall be printed to permit voting for or
3 against the proposition: "Authorizing the board of trustees of
4 _____ School District to purchase attendance credits [~~from the~~
5 ~~state~~] with local tax revenues."

6 SECTION 4. Section 41.098, Education Code, is amended to
7 read as follows:

8 Sec. 41.098. EARLY AGREEMENT CREDIT. A district that
9 enters into [~~submits~~] a signed agreement under this subchapter [~~to~~
10 ~~the commissioner~~] before September 1 of the school year for which
11 the agreement is made may reduce the total amount required to be
12 paid for attendance credits under Section 41.093 by the lesser of
13 four percent or \$80 per credit purchased.

14 SECTION 5. Section 41.099(a), Education Code, is amended to
15 read as follows:

16 (a) Sections 41.002(e), [~~41.094,~~] 41.097, and 41.098 apply
17 only to a district that:

18 (1) executes an agreement to purchase all attendance
19 credits necessary to reduce the district's wealth per student to
20 the equalized wealth level;

21 (2) executes an agreement to purchase attendance
22 credits and an agreement under Subchapter E to contract for the
23 education of nonresident students who transfer to and are educated
24 in the district but who are not charged tuition; or

25 (3) executes an agreement under Subchapter E to
26 contract for the education of nonresident students:

27 (A) to an extent that does not provide more than

1 10 percent of the reduction in wealth per student required for the
2 district to achieve a wealth per student that is equal to or less
3 than the equalized wealth level; and

4 (B) under which all revenue paid by the district
5 to other districts, in excess of the reduction in state aid that
6 results from counting the weighted average daily attendance of the
7 students served in the contracting district, is required to be used
8 for funding a consortium of at least three districts in a county
9 with a population of less than 40,000 that is formed to support a
10 technology initiative.

11 SECTION 6. Section 41.094, Education Code, is repealed.

12 SECTION 7. (a) The amendment of Subchapter D, Chapter 41,
13 Education Code, by this Act does not affect the authority or duties
14 of the commissioner of education or a school district in relation to
15 an agreement executed in accordance with that subchapter as it
16 existed before amendment by this Act, and the former law is
17 continued in effect for that purpose.

18 (b) The amendment of Subchapter D, Chapter 41, Education
19 Code, by this Act does not affect the authority of a school district
20 to execute agreements based on voter approval obtained in
21 accordance with Section 41.096, Education Code, as it existed
22 before amendment by this Act. A school district with voter approval
23 to execute agreements for the purchase of attendance credits from
24 the state may execute agreements for the purchase of attendance
25 credits from another school district in accordance with Subchapter
26 D, Chapter 41, Education Code, as amended by this Act, without
27 seeking additional voter approval.

1 SECTION 8. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2004.