

BILL ANALYSIS

C.S.H.B. 1052
By: Villarreal
Local Government Ways and Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

School enrollment in Texas' public schools increases each year by nearly 59,000 new students. Most of this growth is concentrated in 100 school districts. Communities must respond to this rapid growth by building and expanding facilities to accommodate new students. School boards may access funds for new facilities from the state Instructional Facilities Allotment or they may ask voters to approve bond measures. However, these revenue sources have severe limitations. The Instructional Facilities Allotment is intended for both construction of new facilities as well as maintenance on existing facilities. Furthermore, as more school districts reach the \$1.50 property tax cap, voters are increasingly unwilling to approve bonds.

C.S.H.B. 1052 provides another tool for school districts to respond to rapid growth. It authorizes the Commissioner of Education to enact rules governing the assessment of impact fees on new residential construction by school districts.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Commissioner of Education in SECTION 1 via Section 47.001(c) and 47.006, Education Code, of this bill.

ANALYSIS

C.S.H.B. 1052 requires the Commissioner of Education to establish an advisory committee that will assist in the development of rules governing the assessment of impact fees on new residential construction. The fees must be used for the construction or expansion of school facilities to accommodate growth. Importantly, the bill stipulates that allocation of land by developers to school districts is an acceptable remedy in lieu of fees. The bill prohibits municipalities from granting approval to a plat or replat of residential development until the developer has satisfied obligations imposed by this legislation.

EFFECTIVE DATE

September 1, 2003.

COMPARISON OF ORIGINAL TO SUBSTITUTE

SECTION 1 of the bill is changed by adding a requirement within Section 47.001 (c) of the Education Code that the Commissioner of Education must take into consideration recommendation by the advisory committee and also bases the formula on anticipated growth. The requirements for the creation of the advisory committee itself is also added to the substitute in SECTION 1 via Section 47.005 of the Education Code.

