## A BILL TO BE ENTITLED

AN ACT
relating to public school finance.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Chapter 41, Education Code, is repealed as of August 31, 2004.

SECTION 2. (a) The commissioner of education shall develop a plan, no later than January 1, 2004, to incorporate the school districts governed by the provisions of Chapter 41, Education Code, in to Chapters 42 and 46, Education Code.
(b) The plan required in (a) shall be submitted to the Governor and the Legislative Budget Board no later than January 15, 2004. The Governor and the Legislative Budget Board shall approve the commissioner's plan, required in (a), no later than March 1, 2004 .
(c) If the commissioner's plan is not approved by the Governor and the Legislative Budget Board by March 1, 2004, the Governor and the Legislative Budget Board shall develop an alternative plan to the plan required in (a).
(d) The plan required in (c) shall be finalized no later than May 15, 2004, and implemented in the 2004-05 school year.
(e) No matter which plan, either required in (a) or (c), is adopted by the Governor and the Legislative Budget Board, the Legislative Budget Board shall make the necessary changes within Article III of the general appropriations act as approved by the

78th Legislature.
(f) The commissioner of education shall develop procedures and adopt necessary rules by July 1, 2004, to implement this section.

SECTION 3. It is the intent of the Legislature that the public shall be informed and have the ability to comment on the plans as required in Section $2(a)$ and (c) prior to adoption and implementation.

SECTION 4. The comptroller's office and the office of attorney general shall fully cooperate in the development of the plans required in Section $2(a)$ and (c).

SECTION 5. This Act takes effect September 1, 2003.

