

## **BILL ANALYSIS**

Senate Research Center  
79R1797 ESH-D

S.B. 607  
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Education  
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As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Currently, school districts are considered property rich if their property values exceed \$305,000 per student. If a district's property value rises over that amount, it must send money to the state through the so called "Robin Hood" system. Rural districts have different and higher costs than urban districts. These include higher transportation costs and higher teacher costs because the districts must have instructors for every grade and subject, but often have fewer students in each class. As proposed, S.B. 607 raises the wealth limit to \$500,000 per student in counties with populations under 5,000, allowing smaller districts to retain more of their local revenue.

### **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 41.002, Education Code, by adding Subsection (c), to authorize, notwithstanding Subsection (a) (setting the limit of wealth per student at \$305,000), a school district whose central administrative office is in a county with a population of 5,000 or less to have a wealth per student greater than the amount prescribed by Subsection (a) but not greater than \$500,000.

SECTION 2. Effective date: September 1, 2005.