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

Current school funding law provides various adjustments for small, sparsely populated, and rural school districts, among other adjustments. The law does not allow separate adjustments for districts under 400 average daily attendance (ADA). Those districts are currently funded by a 1,600 ADA adjustment, which does not recognize their greater diseconomy.

As proposed, S.B. 999 adds certain new adjustment formulas for school districts under 400 ADA so that it may provide adequate funding for these districts.

## 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 42.103, Education Code, by amending Subsections (b), (c), and (d) and adding Subsections (b-1), (c-1), (d-1), and (f), as follows:
(b) Provides that the basic allotment of a school district that has not more than 400 students, rather than 1,600 students, in average daily attendance is adjusted by applying a certain formula, or the formula under Subsection (c). Amends said formula.
(b-1) Provides that the basic allotment of a school district that has not more than 400 students in average daily attendance is adjusted for certain school years by applying certain formulas, or the appropriate formula under Subsection (c-1) if that results in a greater allotment, notwithstanding Subsection (b). Amends said formula.
(c) Provides that the basic allotment of a school district that has no more than 1,600 students in average daily attendance is adjusted by applying a certain formula, or the formula under Subsection (d) if that results in a greater basic allotment.
(c-1) Provides that the basic allotment of a school district has no more than 1,600 students in average daily attendance is adjusted for certain school years by applying certain formulas, or the appropriate formula under Subsection (c-1) if that results in a greater allotment, notwithstanding Subsection (d-1).
(d) Amends one of the formulas used to determine the basic allotment of a school district that offers a K-12 program and has less than 5,000 students.
(d-1) Provides that the basic allotment of a school district that offers a kindergarten through grade 12 program and has less than 5,000 students in average daily attendance is adjusted by applying certain formulas, that result in the greatest allotment.
(f) Provides that Subsections (b), (c), and (d) apply beginning with the 2009-2010 school year. Provides that Subsections (b-1), (c-1), and (d-1) and this subsection expire September 1, 2010.

SECTION 2. Effective date: September 1, 2005.

