

By: Kolkhorst

H.B. No. 3082

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of school district bonds for state assistance under the existing debt allotment.

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

SECTION 1. Section 46.033, Education Code, is amended to read as follows:

Sec. 46.033. ELIGIBLE BONDS. Bonds, including bonds issued under Section 45.006, are eligible to be paid with state and local funds under this subchapter if the district does not receive state assistance under Subchapter A for payment of the principal and interest on the bonds, and:

(1) the proceeds of the bonds were used to construct, acquire, renovate, or improve an instructional facility, as defined by Section 46.001, and the district made payments on the bonds during the 2004-2005 school year or taxes levied to pay the principal of and interest on the bonds were included in the district's audited debt service collections for that school year;
or

(2) the district made payments on the bonds during the 2002-2003 school year or taxes levied to pay the principal of and interest on the bonds were included in the district's audited debt service collections for that school year [~~and~~

~~(2) the district does not receive state assistance under Subchapter A for payment of the principal and interest on the~~

1 ~~bonds~~].

2 SECTION 2. Section 46.034(c), Education Code, is amended to
3 read as follows:

4 (c) If the amount required to pay the principal of and
5 interest on eligible bonds in a school year is less than the amount
6 of payments made by the district on the bonds during the final
7 [~~2002-2003~~] school year of the state fiscal biennium preceding the
8 biennium in which the district first receives assistance under this
9 subchapter for the payment of principal of and interest on the bonds
10 or the district's audited debt service collections for that school
11 year, the district may not receive aid in excess of the amount that,
12 when added to the district's local revenue for the school year,
13 equals the amount required to pay the principal of and interest on
14 the bonds.

15 SECTION 3. This Act takes effect September 1, 2005.