

BILL ANALYSIS

C.S.H.B. 3746
By: McClendon
Juvenile Justice & Family Issues
Committee Report (Substituted)

BACKGROUND AND PURPOSE

A Juvenile Justice Alternative Education Program ('JJAEP') is required for counties with populations of more than 125,000. The program serves students who have been expelled from the school for mandatory or discretionary reasons. Funding for the JJAEP comes from the home school district of the student, in the case of discretionary expulsions as well as from the state, for mandatory expulsions. However, these funds cover only a portion, usually about two-thirds of the daily cost.

Programs in Harris, Dallas and Bexar Counties are also funded by partnering with a Chapter 41 school district. The district enters into a three-party credit agreement with a Chapter 42 school district and a JJAEP, splitting the proceeds. Similarly, in Bexar County, this agreement generated approximately \$1.15 million in fiscal year 2005-2006.

Because the proceeds from such an agreement are reduced as the gap between the districts' revenues, the recapture amount is reduced, therefore, creating a need to replace the revenue lost through school finance reform.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of education in SECTION 1, Chapter 41 of the Education Code of this bill.

ANALYSIS

This section applies only to a JJAEP that is in a county of less than 1.4 million people and contains at least seven school districts, and for the 2005-2006 school year, received funding as a result of an agreement between school districts under Subchapter E, Chapter 41, Education Code.

In order to be entitled to receive state aid, this section requires the JJAEP that received funds through an agreement under Subchapter E, Chapter 41, Education Code, for the 2005-2006 school year to attempt to enter into similar agreements for the 2007-2008 and 2008-2009 school years with each school district that participated for the 2005-2006 school year.

Entitles the JJAEP to state aid for the 2007-2008 school year, in an amount equal to the difference between the funding the program received as a result of all agreements between school districts for the 2005-2006 year, and the funding the program receives as a result of all agreements between school districts for the 2007-2008 year. Additionally, for the 2008-2009 school year, the difference between the funding the program received as a result of all agreements between school districts for the 2005-2006 year, and the funding the program receives as a result of all agreements between school districts for the 2008-2009 year.

Furthermore, requires the commissioner of education to determine the amount of state aid to which a JJAEP is entitled under this section and distribute the aid in 10 equal monthly installments for the 2007-2008 school year, beginning with September 2007 and ending with June 2008, and for the 2008-2009 school year, beginning with September 2008 and ending with June 2009.

Finally, this bill requires the commissioner of education to adopt rules to implement this section. and that a determination of the commissioner of education under this section is final and may not be appealed.

C.S.H.B. 3746 80(R)

EFFECTIVE DATE

September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B.3746 modifies the original H.B.3746 by providing that C.S.H.B.3746 be applicable to JJAEPs located in a county that contains at least seven school districts rather than twelve school districts.