

1-1 By: West S.B. No. 1600
1-2 (In the Senate - Filed March 8, 2007; March 21, 2007, read
1-3 first time and referred to Committee on Education; April 16, 2007,
1-4 reported adversely, with favorable Committee Substitute by the
1-5 following vote: Yeas 7, Nays 0; April 16, 2007, sent to printer.)

1-6 COMMITTEE SUBSTITUTE FOR S.B. No. 1600 By: West

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to the equalization of property wealth in certain school
1-10 districts.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subchapter A, Chapter 41, Education Code, is
1-13 amended by adding Section 41.0041 to read as follows:

1-14 Sec. 41.0041. EFFECT OF ADDITIONAL STATE AID FOR TAX
1-15 REDUCTION. (a) Notwithstanding any other provision of this
1-16 chapter, if a school district's wealth per student exceeds the
1-17 equalized wealth level for the first time in the 2006-2007 or a
1-18 later school year, the commissioner may consider the district to
1-19 have reduced its wealth per student to the equalized wealth level
1-20 for any school year as provided by this section.

1-21 (b) When the commissioner initially identifies a school
1-22 district under Section 41.004 as having a wealth per student for a
1-23 school year that exceeds the equalized wealth level, the
1-24 commissioner shall estimate:

1-25 (1) the amount of state revenue to which the district
1-26 is entitled under Section 42.2516 for that school year; and

1-27 (2) the cost to the district to purchase attendance
1-28 credits under Subchapter D in an amount sufficient to reduce the
1-29 district's wealth per student to the equalized wealth level for
1-30 that school year.

1-31 (c) If the commissioner determines that the amount
1-32 described by Subsection (b)(1) exceeds the amount described by
1-33 Subsection (b)(2), the commissioner shall notify the district of
1-34 the commissioner's determination. In lieu of exercising an option
1-35 described by Section 41.003, the district's board of trustees may
1-36 authorize the commissioner to withhold from the state revenue to
1-37 which the district is entitled under Section 42.2516 an amount
1-38 equal to the amount described by Subsection (b)(2).

1-39 (d) In calculating the amount of state revenue to be
1-40 withheld from a school district under this section, the
1-41 commissioner shall calculate the cost for the district to reduce
1-42 the district's wealth per student to the equalized wealth level
1-43 using the final attendance and tax rate data for the school year and
1-44 shall award the district any available credit or discount under
1-45 Subchapter D as if the district had exercised the option under
1-46 Section 41.003(3) in a timely manner. If the final amount
1-47 calculated for the cost for the district to reduce the district's
1-48 wealth per student to the equalized wealth level for a school year
1-49 exceeds the amount of state revenue to which the district is
1-50 entitled under Section 42.2516 for that year:

1-51 (1) the commissioner shall:

1-52 (A) withhold the entire amount of state revenue
1-53 to which the district is entitled under Section 42.2516 for that
1-54 year; and

1-55 (B) withhold the additional amount of the cost
1-56 for the district to reduce the district's wealth per student to the
1-57 equalized wealth level for that year from the state revenue to which
1-58 the district is entitled under Section 42.2516 for a subsequent
1-59 school year; and

1-60 (2) the district is not required to take any further
1-61 action to reduce its wealth per student for that year.

1-62 (e) An action by the board of trustees of a school district
1-63 authorizing the commissioner to withhold state revenue from the

2-1 district under this section is valid without voter authorization.
2-2 SECTION 2. This Act takes effect immediately if it receives
2-3 a vote of two-thirds of all the members elected to each house, as
2-4 provided by Section 39, Article III, Texas Constitution. If this
2-5 Act does not receive the vote necessary for immediate effect, this
2-6 Act takes effect September 1, 2007.

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