

By: Jackson, Mike

S.B. No. 574

A BILL TO BE ENTITLED

AN ACT

relating to an exception to the wealth per student limitation for school districts that, as a result of natural disasters, are suffering financial hardship.

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

SECTION 1. Subchapter A, Chapter 41, Education Code, is amended by adding Section 41.0021 to read as follows:

Sec. 41.0021. EXCEPTION TO WEALTH PER STUDENT LIMITATION FOR SCHOOL DISTRICT SUFFERING FINANCIAL HARDSHIP DUE TO NATURAL DISASTER. (a) This section applies only to a school district:

(1) all or part of which is located in an area designated by an executive order or proclamation issued by the governor under Chapter 418, Government Code, declaring a state of disaster as a result of a natural disaster; and

(2) that is determined by the commissioner, in accordance with criteria specified by commissioner rule, to have suffered financial hardship as a result of the natural disaster.

(b) Notwithstanding any other provision of this chapter, a school district is not required to satisfy any wealth per student limitation prescribed by Section 41.002 and is not required to take any action under Section 41.003 to achieve the equalized wealth level until:

(1) local, state, and federal recovery efforts are completed in the designated area as described by Subsection (a)(1);

1 and

2 (2) through state and federal assistance, the school
3 district's financial situation is, as determined by the
4 commissioner in accordance with criteria specified by commissioner
5 rule, equal to or better than the district's financial situation
6 was immediately before the natural disaster.

7 (c) This section applies to a school district regardless of
8 whether district property damaged in the natural disaster is
9 reappraised under Section 23.02, Tax Code.

10 (d) The commissioner shall adopt rules as necessary to
11 administer this section.

12 SECTION 2. (a) This Act applies beginning with the
13 2009-2010 school year.

14 (b) The applicability of Section 41.0021, Education Code,
15 as added by this Act, to a school district during the 2009-2010
16 school year is not affected by whether the natural disaster that
17 resulted in financial hardship to the district occurs before, on,
18 or after the effective date of this Act.

19 SECTION 3. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2009.