S.B. No. 644 By: Shapiro

A BILL TO BE ENTITLED

AN ACT

2 relating to modifications, adjustments, and reimbursements under

- the public school finance system for a school district located in a 3
- disaster area. 4

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- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 5
- 6 SECTION 1. Subchapter D, Chapter 41, Education Code, is
- 7 amended by adding Section 41.0931 to read as follows:
- Sec. 41.0931. DISASTER REMEDIATION COSTS. (a) This 8
- 9 section applies only to a district all or part of which is located
- in an area declared a disaster area by the governor under Chapter 10
- 418, Government Code, and that incurs disaster remediation costs as 11
- a result of the disaster. 12
- (b) Subject to Subsection (c), for the two-year period 13
- 14 following the date of the governor's initial proclamation or
- executive order declaring a state of disaster, the total amount 15
- 16 required to be paid by a district for attendance credits under
- Section 41.093 is reduced by the amount of any disaster remediation 17
- costs paid by the district during that period. 18
- (b-1) For purposes of determining the reduction under this 19
- section to which a district is entitled for the 2009-2010 school 20
- year, disaster remediation costs paid by the district after 21
- September 1, 2008, are included if the costs meet all other 22
- 23 requirements imposed by this section. This subsection expires
- September 1, 2010. 24

- 1 (c) To receive a reduction under this section, a district
- 2 must provide the commissioner with acceptable documentation of
- 3 disaster remediation costs paid by the district.
- 4 (d) The commissioner shall adopt rules necessary to
- 5 implement this section, including rules defining "disaster
- 6 remediation costs" for purposes of this section and specifying the
- 7 type of documentation required under Subsection (c).
- 8 SECTION 2. Subchapter A, Chapter 42, Education Code, is
- 9 amended by adding Section 42.0051 to read as follows:
- 10 Sec. 42.0051. AVERAGE DAILY ATTENDANCE FOR DISTRICTS IN
- 11 DISASTER AREA. (a) The commissioner shall adjust the average daily
- 12 attendance of a school district all or part of which is located in
- 13 an area declared a disaster area by the governor under Chapter 418,
- 14 Government Code, if the district experiences a decline in average
- 15 daily attendance that is reasonably attributable to the impact of
- 16 the disaster.
- 17 (b) The adjustment must be sufficient to ensure that the
- 18 district receives funding comparable to the funding that the
- 19 district would have received if the decline in average daily
- 20 attendance reasonably attributable to the impact of the disaster
- 21 had not occurred.
- 22 <u>(c) The commissioner shall make the adjustment required by</u>
- 23 this section for the two-year period following the date of the
- 24 governor's initial proclamation or executive order declaring the
- 25 state of disaster.
- 26 (d) Section 42.005(b)(2) does not apply to a district that
- 27 receives an adjustment under this section.

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- 1 (e) A district that receives an adjustment under this
- 2 section may not receive any additional adjustment under Section
- 3 42.005(d) for the decline in average daily attendance on which the
- 4 adjustment under this section is based.
- 5 (f) For purposes of this title, a district's adjusted
- 6 average daily attendance under this section is considered to be the
- 7 <u>district's average daily attendance as determined under Section</u>
- 8 42.005.
- 9 SECTION 3. Subchapter E, Chapter 42, Education Code, is
- 10 amended by adding Sections 42.2523 and 42.2524 to read as follows:
- Sec. 42.2523. ADJUSTMENT FOR PROPERTY VALUE AFFECTED BY
- 12 STATE OF DISASTER. (a) For purposes of Chapters 41 and 46 and this
- 13 chapter, the commissioner shall adjust the taxable value of
- 14 property of a school district all or part of which is located in an
- 15 area declared a disaster area by the governor under Chapter 418,
- 16 Government Code, as necessary to ensure that the district receives
- 17 funding based as soon as possible on property values as affected by
- 18 the disaster.
- 19 (b) Any additional funding to which a school district is
- 20 entitled as a result of the adjustment required by this section is
- 21 <u>in addition to the amount of funding to which the district is</u>
- 22 <u>entitled under Secti</u>on 42.2516(b).
- (c) A decision of the commissioner under this section is
- 24 final and may not be appealed.
- Sec. 42.2524. REIMBURSEMENT FOR DISASTER REMEDIATION
- 26 COSTS. (a) This section applies only to a school district all or
- 27 part of which is located in an area declared a disaster area by the

- 1 governor under Chapter 418, Government Code, and that incurs
- 2 disaster remediation costs as a result of the disaster.
- 3 (b) During the two-year period following the date of the
- 4 governor's initial proclamation or executive order declaring a
- 5 state of disaster, a district may apply to the commissioner for
- 6 reimbursement of disaster remediation costs paid by the district
- 7 during that period.
- 8 (b-1) A district may seek reimbursement of disaster
- 9 remediation costs paid by the district on or after September 1,
- 10 2008. This subsection expires September 1, 2011.
- 11 <u>(c)</u> The commissioner may provide reimbursement under this
- 12 section only if the commissioner determines that the amount
- 13 appropriated for the Foundation School Program, including the
- 14 <u>facilities component as provided by Chapter 46, exceeds the amount</u>
- 15 to which districts are entitled under this chapter and Chapter 46.
- 16 <u>(d) A district seeking reimbursement under this section</u>
- 17 must provide the commissioner with adequate documentation of the
- 18 costs for which the district seeks reimbursement.
- 19 (e) If the amount of money available for purposes of this
- 20 section is not sufficient to reimburse each district's disaster
- 21 remediation costs, the commissioner shall give priority to
- 22 <u>reimbursing costs incurred by districts that do not purchase</u>
- 23 attendance credits under Section 41.093.
- 24 (f) A district may not obtain reimbursement under this
- 25 section for the payment of any disaster remediation costs that
- 26 resulted in a reduction under Section 41.0931 of the district's
- 27 cost of attendance credits.

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- 1 (g) Amounts provided to a district under this section are in
- 2 addition to the amount to which the district is entitled under
- 3 <u>Section 42.2516.</u>
- 4 (h) The commissioner shall adopt rules necessary to
- 5 implement this section, including rules defining "disaster
- 6 remediation costs" for purposes of this section and specifying the
- 7 type of documentation required under Subsection (d).
- 8 <u>(i)</u> This section does not require the commissioner to
- 9 provide any requested reimbursement. A decision of the
- 10 commissioner regarding reimbursement is final and may not be
- 11 appealed.
- 12 SECTION 4. This Act takes effect September 1, 2009.