

1-1 By: Shapiro, et al. S.B. No. 644
1-2 (In the Senate - Filed February 3, 2009; February 23, 2009,
1-3 read first time and referred to Committee on Education;
1-4 April 7, 2009, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 9, Nays 0; April 7, 2009,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 644 By: Gallegos

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to modifications, adjustments, and reimbursements under
1-11 the public school finance system and contract delegation authority
1-12 for a school district located in a disaster area.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Subchapter D, Chapter 41, Education Code, is
1-15 amended by adding Section 41.0931 to read as follows:

1-16 Sec. 41.0931. DISASTER REMEDIATION COSTS. (a) This
1-17 section applies only to a district all or part of which is located
1-18 in an area declared a disaster area by the governor under Chapter
1-19 418, Government Code, and that incurs disaster remediation costs as
1-20 a result of the disaster.

1-21 (b) Subject to Subsection (c), for the two-year period
1-22 following the date of the governor's initial proclamation or
1-23 executive order declaring a state of disaster, the total amount
1-24 required to be paid by a district for attendance credits under
1-25 Section 41.093 is reduced by the amount of any disaster remediation
1-26 costs that the district pays during that period and does not
1-27 anticipate recovering through insurance proceeds, federal disaster
1-28 relief payments, or another similar source of reimbursement.

1-29 (b-1) For purposes of determining the reduction under this
1-30 section to which a district is entitled for the 2009-2010 school
1-31 year, disaster remediation costs paid by the district after
1-32 September 1, 2008, are included if the costs meet all other
1-33 requirements imposed by this section. This subsection expires
1-34 September 1, 2010.

1-35 (c) To receive a reduction under this section, a district
1-36 must provide the commissioner with acceptable documentation of
1-37 disaster remediation costs paid by the district.

1-38 (d) The commissioner shall adopt rules necessary to
1-39 implement this section, including rules defining "disaster
1-40 remediation costs" for purposes of this section and specifying the
1-41 type of documentation required under Subsection (c).

1-42 (e) Notwithstanding any other provision of this section,
1-43 the commissioner may permit a district to use funds available to the
1-44 district as a result of a reduction under this section to pay the
1-45 costs of replacing a facility instead of repairing the facility.
1-46 The commissioner shall ensure that a district that elects to
1-47 replace a facility does not receive a reduction that exceeds the
1-48 lesser of:

1-49 (1) the amount that would be available to the district
1-50 if the facility were repaired; or

1-51 (2) the amount necessary to replace the facility.

1-52 SECTION 2. Subchapter A, Chapter 42, Education Code, is
1-53 amended by adding Section 42.0051 to read as follows:

1-54 Sec. 42.0051. AVERAGE DAILY ATTENDANCE FOR DISTRICTS IN
1-55 DISASTER AREA. (a) The commissioner shall adjust the average
1-56 daily attendance of a school district all or part of which is
1-57 located in an area declared a disaster area by the governor under
1-58 Chapter 418, Government Code, if the district experiences a decline
1-59 in average daily attendance that is reasonably attributable to the
1-60 impact of the disaster.

1-61 (b) The adjustment must be sufficient to ensure that the
1-62 district receives funding comparable to the funding that the
1-63 district would have received if the decline in average daily

2-1 attendance reasonably attributable to the impact of the disaster
 2-2 had not occurred.

2-3 (c) The commissioner shall make the adjustment required by
 2-4 this section for the two-year period following the date of the
 2-5 governor's initial proclamation or executive order declaring the
 2-6 state of disaster.

2-7 (d) Section 42.005(b)(2) does not apply to a district that
 2-8 receives an adjustment under this section.

2-9 (e) A district that receives an adjustment under this
 2-10 section may not receive any additional adjustment under Section
 2-11 42.005(d) for the decline in average daily attendance on which the
 2-12 adjustment under this section is based.

2-13 (f) For purposes of this title, a district's adjusted
 2-14 average daily attendance under this section is considered to be the
 2-15 district's average daily attendance as determined under Section
 2-16 42.005.

2-17 SECTION 3. Subchapter E, Chapter 42, Education Code, is
 2-18 amended by adding Sections 42.2523 and 42.2524 to read as follows:

2-19 Sec. 42.2523. ADJUSTMENT FOR PROPERTY VALUE AFFECTED BY
 2-20 STATE OF DISASTER. (a) For purposes of Chapters 41 and 46 and this
 2-21 chapter, the commissioner shall adjust the taxable value of
 2-22 property of a school district all or part of which is located in an
 2-23 area declared a disaster area by the governor under Chapter 418,
 2-24 Government Code, as necessary to ensure that the district receives
 2-25 funding based as soon as possible on property values as affected by
 2-26 the disaster.

2-27 (b) Any additional funding to which a school district is
 2-28 entitled as a result of the adjustment required by this section is
 2-29 in addition to the amount of funding to which the district is
 2-30 entitled under Section 42.2516(b).

2-31 (c) A decision of the commissioner under this section is
 2-32 final and may not be appealed.

2-33 Sec. 42.2524. REIMBURSEMENT FOR DISASTER REMEDIATION
 2-34 COSTS. (a) This section applies only to a school district all or
 2-35 part of which is located in an area declared a disaster area by the
 2-36 governor under Chapter 418, Government Code, and that incurs
 2-37 disaster remediation costs as a result of the disaster.

2-38 (b) During the two-year period following the date of the
 2-39 governor's initial proclamation or executive order declaring a
 2-40 state of disaster, a district may apply to the commissioner for
 2-41 reimbursement of disaster remediation costs that the district pays
 2-42 during that period and does not anticipate recovering through
 2-43 insurance proceeds, federal disaster relief payments, or another
 2-44 similar source of reimbursement.

2-45 (b-1) A district may seek reimbursement of disaster
 2-46 remediation costs paid by the district on or after September 1,
 2-47 2008. This subsection expires September 1, 2011.

2-48 (c) The commissioner may provide reimbursement under this
 2-49 section only if the commissioner determines that the amount
 2-50 appropriated for the Foundation School Program, including the
 2-51 facilities component as provided by Chapter 46, exceeds the amount
 2-52 to which districts are entitled under this chapter and Chapter 46.

2-53 (d) A district seeking reimbursement under this section
 2-54 must provide the commissioner with adequate documentation of the
 2-55 costs for which the district seeks reimbursement.

2-56 (e) If the amount of money available for purposes of this
 2-57 section is not sufficient to reimburse each district's disaster
 2-58 remediation costs, the commissioner shall give priority to
 2-59 reimbursing costs incurred by districts that do not purchase
 2-60 attendance credits under Section 41.093.

2-61 (f) A district may not obtain reimbursement under this
 2-62 section for the payment of any disaster remediation costs that
 2-63 resulted in a reduction under Section 41.0931 of the district's
 2-64 cost of attendance credits.

2-65 (g) Amounts provided to a district under this section are in
 2-66 addition to the amount to which the district is entitled under
 2-67 Section 42.2516.

2-68 (h) The commissioner shall adopt rules necessary to
 2-69 implement this section, including rules defining "disaster

3-1 remediation costs" for purposes of this section and specifying the
3-2 type of documentation required under Subsection (d).

3-3 (i) Notwithstanding any other provision of this section,
3-4 the commissioner may permit a district to use amounts provided to a
3-5 district under this section to pay the costs of replacing a facility
3-6 instead of repairing the facility. The commissioner shall ensure
3-7 that a district that elects to replace a facility does not receive
3-8 an amount under this section that exceeds the lesser of:

3-9 (1) the amount that would be provided to the district
3-10 if the facility were repaired; or

3-11 (2) the amount necessary to replace the facility.

3-12 (j) This section does not require the commissioner to
3-13 provide any requested reimbursement. A decision of the
3-14 commissioner regarding reimbursement is final and may not be
3-15 appealed.

3-16 SECTION 4. Section 44.0312, Education Code, is amended by
3-17 adding Subsection (c) to read as follows:

3-18 (c) Notwithstanding any other provision of this code, in the
3-19 event of a catastrophe, emergency, or natural disaster affecting a
3-20 school district, the board of trustees of the district may delegate
3-21 to the superintendent or designated person the authority to
3-22 contract for the replacement, construction, or repair of school
3-23 equipment or facilities under this subchapter if emergency
3-24 replacement, construction, or repair is necessary for the health
3-25 and safety of district students and staff.

3-26 SECTION 5. This Act takes effect September 1, 2009.

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