

Amend SB 1581 by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE ____ . FISCAL MATTERS RELATING TO PUBLIC SCHOOL
FINANCE AND PREKINDERGARTEN PROGRAMS

SECTION ____ .01. Effective September 1, 2011, Section 12.106, Education Code, is amended by amending Subsection (a) and adding Subsection (a-3) to read as follows:

(a) A charter holder is entitled to receive for the open-enrollment charter school funding under Chapter 42 equal to the greater of:

(1) the percentage specified by Section 42.2516(i) multiplied by the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Sections 42.302(a-1)(2) and (3), as they existed on January 1, 2009, that would have been received for the school during the 2009-2010 school year under Chapter 42 as it existed on January 1, 2009, and an additional amount of the percentage specified by Section 42.2516(i) multiplied by \$120 for each student in weighted average daily attendance; or

(2) the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Section 42.302(a), to which the charter holder would be entitled for the school under Chapter 42 if the school were a school district without a tier one local share for purposes of Section 42.253 and without any local revenue for purposes of Section 42.2516.

(a-3) In determining funding for an open-enrollment charter school under Subsection (a), the commissioner shall apply the regular program adjustment factor provided under Section 42.101 to calculate the regular program allotment to which a charter school is entitled.

SECTION __.02. Effective September 1, 2016, Subsection (a), Section 12.106, Education Code, is amended to read as follows:

(a) A charter holder is entitled to receive for the open-enrollment charter school funding under Chapter 42 equal to ~~[the greater of:~~

~~[(1) the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Sections 42.302(a-1)(2) and (3), as they existed on January 1, 2009, that would have been received for the school during the 2009-2010 school year under Chapter 42 as it existed on January 1, 2009, and an additional amount of \$120 for each student in weighted average daily attendance; or~~

~~[(2)] the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Section 42.302(a), to which the charter holder would be entitled for the school under Chapter 42 if the school were a school district without a tier one local share for purposes of Section 42.253 [and without any local revenue for purposes of Section 42.2516].~~

SECTION __.03. Section 21.402, Education Code, is amended by amending Subsection (a) and adding Subsection (i) to read as follows:

(a) Except as provided by Subsection (d)~~[(e)]~~ or (f), a school district must pay each classroom teacher, full-time librarian, full-time counselor certified under Subchapter B, or full-time school nurse not less than the following minimum monthly salary, based on the employee's level of experience:

<u>Years of Experience</u>	<u>Monthly Salary</u>
<u>0</u>	<u>2,732</u>
<u>1</u>	<u>2,791</u>
<u>2</u>	<u>2,849</u>
<u>3</u>	<u>2,908</u>
<u>4</u>	<u>3,032</u>
<u>5</u>	<u>3,156</u>
<u>6</u>	<u>3,280</u>
<u>7</u>	<u>3,395</u>
<u>8</u>	<u>3,504</u>
<u>9</u>	<u>3,607</u>
<u>10</u>	<u>3,704</u>
<u>11</u>	<u>3,796</u>
<u>12</u>	<u>3,884</u>
<u>13</u>	<u>3,965</u>
<u>14</u>	<u>4,043</u>
<u>15</u>	<u>4,116</u>
<u>16</u>	<u>4,186</u>
<u>17</u>	<u>4,251</u>
<u>18</u>	<u>4,313</u>
<u>19</u>	<u>4,372</u>
<u>20 & Over</u>	<u>4,427</u>

~~[in addition to other factors, as determined by commissioner rule, determined by the following formula:~~

$$\text{[MS - SF x FS]}$$

~~where:~~

~~["MS" is the minimum monthly salary,~~

~~["SF" is the applicable salary factor specified by Subsection (c), and~~

~~["FS" is the amount, as determined by the commissioner under Subsection (b), of state and local funds per weighted student, including funds provided under Section 42.2516, available to a district eligible to receive state assistance under Section 42.302 with a maintenance and operations tax rate per \$100 of taxable value equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50, except that~~

~~the amount of state and local funds per weighted student does not include the amount attributable to the increase in the guaranteed level made by Chapter 1187, Acts of the 77th Legislature, Regular Session, 2001.]~~

(i) Not later than January 1, 2013, the commissioner shall review the minimum salary schedule and submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative standing committee with primary jurisdiction over primary and secondary education a written report that recommends the method to be used to determine the schedule. This subsection expires September 1, 2013.

SECTION __.04. Section 29.1532, Education Code, is amended by amending Subsection (a) and adding Subsections (d) and (e) to read as follows:

(a) A school district's prekindergarten program shall be designed to develop skills necessary for success in the regular public school curriculum, including language, mathematics, ~~and~~ social, and school readiness skills that are aligned with the Texas Prekindergarten Guidelines approved by the commissioner.

(d) A school district's prekindergarten program must demonstrate effectiveness in preparing children for kindergarten according to a school readiness certification system established by the commissioner. The commissioner may waive participation in the certification system for a school district whose prekindergarten program otherwise demonstrates effectiveness in preparing students for kindergarten.

(e) The commissioner may adopt rules as necessary to implement this section.

SECTION __.05. Section 29.154, Education Code, is amended to read as follows:

Sec. 29.154. EVALUATION OF PREKINDERGARTEN PROGRAMS.

(a) The commissioner [of education, in consultation with the commissioner of human services,] shall:

(1) monitor and evaluate prekindergarten programs as to their developmental appropriateness and the development of school readiness, as aligned with the Texas Prekindergarten Guidelines approved by the commissioner and a school readiness

certification system established by the commissioner;

(2) [~~. The commissioners shall also~~] evaluate the potential for coordination on a statewide basis of prekindergarten programs with government-funded early childhood care and education programs such as child care administered under Chapter 44, Human Resources Code, and federal Head Start programs; and

(3) [~~. That evaluation shall use recommendations contained in the report to the 71st Legislature required by Chapter 717, Acts of the 70th Legislature, Regular Session, 1987. For the purpose of providing cost-effective care for children during the full workday with developmentally appropriate curriculum, the commissioners shall investigate the use of existing child-care program sites as prekindergarten sites. Following the evaluation required by this section, the commissioners,~~] in cooperation with school districts and other program administrators, [~~shall~~] integrate programs, staff, and program sites for prekindergarten, child-care, and federal Head Start programs to the greatest extent possible.

(b) The commissioner or an entity acting under a contract with the commissioner shall provide technical assistance to implement proven school readiness components to a school district operating a prekindergarten program under this subchapter that is not certified by the commissioner following two consecutive review cycles. The commissioner is not required to provide assistance to a school district under this subsection if funding is not available.

(c) The commissioner may adopt rules as necessary to implement this section.

SECTION __.06. Subsection (a), Section 41.002, Education Code, is amended to read as follows:

(a) A school district may not have a wealth per student that exceeds:

(1) the wealth per student that generates the amount of maintenance and operations tax revenue per weighted student available to a district with maintenance and operations tax revenue per cent of tax effort equal to the maximum amount provided per cent under Section 42.101(a) [~~42.101~~], for the district's maintenance and operations tax effort equal to or less than the rate equal to

the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year;

(2) the wealth per student that generates the amount of maintenance and operations tax revenue per weighted student available to the Austin Independent School District, as determined by the commissioner in cooperation with the Legislative Budget Board, for the first six cents by which the district's maintenance and operations tax rate exceeds the rate equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year, subject to Section 41.093(b-1); or

(3) \$319,500, for the district's maintenance and operations tax effort that exceeds the first six cents by which the district's maintenance and operations tax effort exceeds the rate equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year.

SECTION ____ .07. Section 42.003, Education Code, is amended by amending Subsection (b) and adding Subsection (b-1) to read as follows:

(b) A student to whom Subsection (a) does not apply is entitled to the benefits of the Foundation School Program if the student is enrolled in a prekindergarten class under Section 29.153 that participates in a school readiness certification system established by the commissioner or that has received a waiver from participation under Section 29.1532(d).

(b-1) For the 2011-2012 and 2012-2013 school years, the commissioner may withhold an amount of the total funds appropriated for allotments for students described by Subsection (b) to pay the costs of school districts' participation in the school readiness certification system. This subsection expires September 1, 2013.

SECTION ____ .08. The heading to Section 42.101, Education Code, is amended to read as follows:

Sec. 42.101. BASIC AND REGULAR PROGRAM ALLOTMENTS
[~~ALLOTMENT~~].

SECTION ____09. Effective September 1, 2011, Section 42.101, Education Code, is amended by amending Subsections (a) and (b) and adding Subsections (c) and (c-1) to read as follows:

(a) The basic [~~For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an~~] allotment is an amount equal to the lesser of \$4,765 or the amount that results from the following formula:

$$A = \$4,765 \times (\text{DCR}/\text{MCR})$$

where:

"A" is the resulting amount for [~~allotment to which~~] a district [~~is entitled~~];

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

(b) A greater amount for any school year for the basic allotment under Subsection (a) may be provided by appropriation.

(c) A school district is entitled to a regular program allotment equal to the amount that results from the following formula:

$$\text{RPA} = \text{ADA} \times \text{AA} \times \text{RPAF}$$

where:

"RPA" is the regular program allotment to which the district is entitled;

"ADA" is the number of students in average daily attendance in a district, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C;

"AA" is the district's adjusted basic allotment, as determined under Section 42.102 and, if applicable, as further

adjusted under Section 42.103; and

"RPAF" is the regular program adjustment factor, which is 1.00 or a different amount established by appropriation.

(c-1) Notwithstanding Subsection (c), the regular program adjustment factor ("RPAF") is 0.98 for the 2011-2012 and 2012-2013 school years. This subsection expires September 1, 2013.

SECTION __.10. Effective September 1, 2015, Subsection (a), Section 42.101, Education Code, is amended to read as follows:

(a) The basic [~~For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an~~] allotment is an amount equal to the lesser of \$4,900 [~~\$4,765~~] or the amount that results from the following formula:

$$A = \underline{\$4,900} [\underline{\$4,765}] \times (\text{DCR}/\text{MCR})$$

where:

"A" is the resulting amount for [~~allotment to which~~] a district [~~is entitled~~];

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

SECTION __.11. Effective September 1, 2016, Subsection (a), Section 42.101, Education Code, is amended to read as follows:

(a) The basic [~~For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an~~] allotment is an amount equal to the lesser of \$5,000 [~~\$4,765~~] or the amount that results from the following formula:

$$A = \underline{\$5,000} [\underline{\$4,765}] \times (\text{DCR}/\text{MCR})$$

where:

"A" is the resulting amount for [~~allotment to which~~] a district [~~is entitled~~];

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

SECTION ____ .12. Section 42.105, Education Code, is amended to read as follows:

Sec. 42.105. SPARSITY ADJUSTMENT. Notwithstanding Sections 42.101, 42.102, and 42.103, a school district that has fewer than 130 students in average daily attendance shall be provided a regular program [~~an adjusted basic~~] allotment on the basis of 130 students in average daily attendance if it offers a kindergarten through grade 12 program and has preceding or current year's average daily attendance of at least 90 students or is 30 miles or more by bus route from the nearest high school district. A district offering a kindergarten through grade 8 program whose preceding or current year's average daily attendance was at least 50 students or which is 30 miles or more by bus route from the nearest high school district shall be provided a regular program [~~an adjusted basic~~] allotment on the basis of 75 students in average daily attendance. An average daily attendance of 60 students shall be the basis of providing the regular program [~~adjusted basic~~] allotment if a district offers a kindergarten through grade 6 program and has preceding or current year's average daily attendance of at least 40 students or is 30 miles or more by bus route from the nearest high school district.

SECTION ____ .13. Subsection (a), Section 42.251, Education Code, is amended to read as follows:

(a) The sum of the regular program [~~basic~~] allotment under Subchapter B and the special allotments under Subchapter C, computed in accordance with this chapter, constitute the tier one allotments. The sum of the tier one allotments and the guaranteed yield allotments under Subchapter F, computed in accordance with

this chapter, constitute the total cost of the Foundation School Program.

SECTION ____14. Subchapter E, Chapter 42, Education Code, is amended by adding Section 42.2514 to read as follows:

Sec. 42.2514. ADDITIONAL STATE AID FOR TAX INCREMENT FINANCING PAYMENTS. For each school year, a school district, including a school district that is otherwise ineligible for state aid under this chapter, is entitled to state aid in an amount equal to the amount the district is required to pay into the tax increment fund for a reinvestment zone under Section 311.013(n), Tax Code.

SECTION ____15. Effective September 1, 2011, Section 42.2516, Education Code, is amended by amending Subsections (b), (d), and (f-2) and adding Subsections (b-2) and (i) to read as follows:

(b) Notwithstanding any other provision of this title, a school district that imposes a maintenance and operations tax at a rate at least equal to the product of the state compression percentage multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year is entitled to at least the amount of state revenue necessary to provide the district with the sum of:

(1) the percentage specified by Subsection (i) of the amount, as calculated under Subsection (e), [~~the amount~~] of state and local revenue per student in weighted average daily attendance for maintenance and operations that the district would have received during the 2009-2010 school year under Chapter 41 and this chapter, as those chapters existed on January 1, 2009, at a maintenance and operations tax rate equal to the product of the state compression percentage for that year multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year;

(2) the percentage specified by Subsection (i) of an amount equal to the product of \$120 multiplied by the number of students in weighted average daily attendance in the district; and

(3) [~~an amount equal to the amount the district is required to pay into the tax increment fund for a reinvestment zone under Section 311.013(n), Tax Code, in the current tax year, and~~

~~[(4)]~~ any amount to which the district is entitled under Section 42.106.

(b-2) If a school district adopts a maintenance and operations tax rate that is below the rate equal to the product of the state compression percentage multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year, the commissioner shall reduce the district's entitlement under this section in proportion to the amount by which the adopted rate is less than the rate equal to the product of the state compression percentage multiplied by the rate adopted by the district for the 2005 tax year.

(d) In determining the amount to which a district is entitled under Subsection (b)(1), the commissioner shall:

(1) include the percentage specified by Subsection (i) of any amounts received by the district during the 2008-2009 school year under Rider 86, page III-23, Chapter 1428 (H.B. 1), Acts of the 80th Legislature, Regular Session, 2007 (the General Appropriations Act); and

(2) for a school district that paid tuition under Section 25.039 during the 2008-2009 school year, reduce the amount to which the district is entitled by the amount of tuition paid during that school year.

(f-2) The rules adopted by the commissioner under Subsection (f-1) must:

(1) require the commissioner to determine, as if this section did not exist, the effect under Chapter 41 and this chapter of a school district's action described by Subsection (f-1)(1), (2), (3), or (4) on the total state revenue to which the district would be entitled or the cost to the district of purchasing sufficient attendance credits to reduce the district's wealth per student to the equalized wealth level; and

(2) require an increase or reduction in the amount of state revenue to which a school district is entitled under Subsection (b)(1) ~~[(b)]~~ that is substantially equivalent to any change in total state revenue or the cost of purchasing attendance credits that would apply to the district if this section did not exist.

(i) The percentage to be applied for purposes of Subsections (b)(1) and (2) and Subsection (d)(1) is 93.50 percent for the 2011-2012 school year and 92.35 percent for each subsequent school year. A different percentage for any school year may be established by appropriation.

SECTION ____ .16. Effective September 1, 2016, the heading to Section 42.2516, Education Code, is amended to read as follows:

Sec. 42.2516. STATE COMPRESSION PERCENTAGE [~~ADDITIONAL STATE AID FOR TAX REDUCTION~~].

SECTION ____ .17. Effective September 1, 2016, Subsection (a), Section 42.2516, Education Code, is amended to read as follows:

(a) In this title [~~section~~], "state compression percentage" means the percentage [~~, as determined by the commissioner,~~] of a school district's adopted maintenance and operations tax rate for the 2005 tax year that serves as the basis for state funding [~~for tax rate reduction under this section~~]. If the state compression percentage is not established by appropriation for a school year, the [~~The~~] commissioner shall determine the state compression percentage for each school year based on the percentage by which a district is able to reduce the district's maintenance and operations tax rate for that year, as compared to the district's adopted maintenance and operations tax rate for the 2005 tax year, as a result of state funds appropriated for [~~distribution under this section for~~] that year from the property tax relief fund established under Section 403.109, Government Code, or from another funding source available for school district property tax relief.

SECTION ____ .18. Effective September 1, 2011, Subsection (a), Section 42.25161, Education Code, is amended to read as follows:

(a) The commissioner shall provide South Texas Independent School District with the amount of state aid necessary to ensure that the district receives an amount of state and local revenue per student in weighted average daily attendance that is at least the percentage specified by Section 42.2516(i) of \$120 greater than the amount the district would have received per student in weighted average daily attendance during the 2009-2010 school year under

this chapter, as it existed on January 1, 2009, at a maintenance and operations tax rate equal to the product of the state compression percentage multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year, provided that the district imposes a maintenance and operations tax at that rate.

SECTION ____19. Effective September 1, 2011, Subsection (h), Section 42.253, Education Code, is amended to read as follows:

(h) If the amount appropriated for the Foundation School Program for the second year of a state fiscal biennium is less than the amount to which school districts are entitled for that year, the commissioner shall certify the amount of the difference to the Legislative Budget Board not later than January 1 of the second year of the state fiscal biennium. The Legislative Budget Board shall propose to the legislature that the certified amount be transferred to the foundation school fund from the economic stabilization fund and appropriated for the purpose of increases in allocations under this subsection. If the legislature fails during the regular session to enact the proposed transfer and appropriation and there are not funds available under Subsection (j), the commissioner shall adjust ~~reduce~~ the total amounts due to each school district under this chapter and the total amounts necessary for each school district to comply with the requirements of Chapter 41 ~~[amount of state funds allocated to each district]~~ by an amount determined by applying to each district, including a district receiving funds under Section 42.2516, the same percentage adjustment so that the total amount of the adjustment to all districts ~~[a method under which the application of the same number of cents of increase in tax rate in all districts applied to the taxable value of property of each district, as determined under Subchapter M, Chapter 403, Government Code]~~, results in an amount ~~[a total levy]~~ equal to the total adjustment necessary ~~[reduction]~~. The following fiscal year:

(1) ~~[7]~~ a district's entitlement under this section is increased by an amount equal to the adjustment ~~[reduction]~~ made under this subsection; and

(2) the amount necessary for a district to comply with the requirements of Chapter 41 is reduced by an amount equal to the adjustment made under this subsection.

SECTION ____.20. Effective September 1, 2016, Subsection (h), Section 42.253, Education Code, is amended to read as follows:

(h) If the amount appropriated for the Foundation School Program for the second year of a state fiscal biennium is less than the amount to which school districts are entitled for that year, the commissioner shall certify the amount of the difference to the Legislative Budget Board not later than January 1 of the second year of the state fiscal biennium. The Legislative Budget Board shall propose to the legislature that the certified amount be transferred to the foundation school fund from the economic stabilization fund and appropriated for the purpose of increases in allocations under this subsection. If the legislature fails during the regular session to enact the proposed transfer and appropriation and there are not funds available under Subsection (j), the commissioner shall adjust ~~reduce~~ the total amounts due to each school district under this chapter and the total amounts necessary for each school district to comply with the requirements of Chapter 41 ~~[amount of state funds allocated to each district]~~ by an amount determined by applying to each district the same percentage adjustment so that the total amount of the adjustment to all districts ~~[a method under which the application of the same number of cents of increase in tax rate in all districts applied to the taxable value of property of each district, as determined under Subchapter M, Chapter 403, Government Code,]~~ results in an amount ~~[a total levy]~~ equal to the total adjustment necessary ~~[reduction]~~. The following fiscal year:

(1) ~~[7]~~ a district's entitlement under this section is increased by an amount equal to the adjustment ~~[reduction]~~ made under this subsection; and

(2) the amount necessary for a district to comply with the requirements of Chapter 41 is reduced by an amount equal to the adjustment made under this subsection.

SECTION ____.21. Subsection (b), Section 42.260, Education Code, is amended to read as follows:

(b) For each year, the commissioner shall certify to each school district or participating charter school the amount of ~~[+]~~

~~[-1]~~ additional funds to which the district or school is entitled due to the increase made by H.B. No. 3343, Acts of the

77th Legislature, Regular Session, 2001, to:

(1) [~~(A)~~] the equalized wealth level under Section 41.002; or

(2) [~~(B)~~] the guaranteed level of state and local funds per weighted student per cent of tax effort under Section 42.302[~~, or~~

~~(2) additional state aid to which the district or school is entitled under Section 42.2513].~~

SECTION __.22. Section 44.004, Education Code, is amended by adding Subsection (g-1) to read as follows:

(g-1) If the rate calculated under Subsection (c)(5)(A)(ii)(b) decreases after the publication of the notice required by this section, the president is not required to publish another notice or call another meeting to discuss and adopt the budget and the proposed lower tax rate.

SECTION __.23. Subsection (a), Section 26.05, Tax Code, is amended to read as follows:

(a) The governing body of each taxing unit, before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit, shall adopt a tax rate for the current tax year and shall notify the assessor for the unit of the rate adopted. The tax rate consists of two components, each of which must be approved separately. The components are:

(1) for a taxing unit other than a school district, the rate that, if applied to the total taxable value, will impose the total amount published under Section 26.04(e)(3)(C), less any amount of additional sales and use tax revenue that will be used to pay debt service, or, for a school district, the rate calculated [~~published~~] under Section 44.004(c)(5)(A)(ii)(b), Education Code; and

(2) the rate that, if applied to the total taxable value, will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the next year.

SECTION __.24. Effective September 1, 2016, Subsection (i), Section 26.08, Tax Code, is amended to read as follows:

(i) For purposes of this section, the effective maintenance and operations tax rate of a school district is the tax rate that,

applied to the current total value for the district, would impose taxes in an amount that, when added to state funds that would be distributed to the district under Chapter 42, Education Code, for the school year beginning in the current tax year using that tax rate, [~~including state funds that will be distributed to the district in that school year under Section 42.2516, Education Code,~~] would provide the same amount of state funds distributed under Chapter 42, Education Code, [~~including state funds distributed under Section 42.2516, Education Code,~~] and maintenance and operations taxes of the district per student in weighted average daily attendance for that school year that would have been available to the district in the preceding year if the funding elements for Chapters 41 and 42, Education Code, for the current year had been in effect for the preceding year.

SECTION ____.25. Subsection (n), Section 311.013, Tax Code, is amended to read as follows:

(n) This subsection applies only to a school district whose taxable value computed under Section 403.302(d), Government Code, is reduced in accordance with Subdivision (4) of that subsection. In addition to the amount otherwise required to be paid into the tax increment fund, the district shall pay into the fund an amount equal to the amount by which the amount of taxes the district would have been required to pay into the fund in the current year if the district levied taxes at the rate the district levied in 2005 exceeds the amount the district is otherwise required to pay into the fund in the year of the reduction. This additional amount may not exceed the amount the school district receives in state aid for the current tax year under Section 42.2514, Education Code. The school district shall pay the additional amount after the district receives the state aid to which the district is entitled for the current tax year under Section 42.2514, Education Code.

SECTION ____.26. Effective September 1, 2011, the following provisions of the Education Code are repealed:

- (1) Subsections (b), (c), (c-1), (c-2), (c-3), and (e), Section 21.402;
- (2) Section 42.008; and

(3) Subsections (a-1) and (a-2), Section 42.101.

SECTION ____.27. (a) Effective September 1, 2016, the following provisions of the Education Code are repealed:

(1) Section 41.0041;

(2) Subsections (b), (b-1), (b-2), (c), (d), (e), (f), (f-1), (f-2), (f-3), and (i), Section 42.2516;

(3) Section 42.25161;

(4) Subsection (c), Section 42.2523;

(5) Subsection (g), Section 42.2524;

(6) Subsection (c-1), Section 42.253; and

(7) Section 42.261.

(b) Effective September 1, 2016, Subsections (i-1) and (j), Section 26.08, Tax Code, are repealed.

SECTION ____.28. Except as otherwise provided by this Act, the changes in law made by this Act to Chapter 42, Education Code, apply beginning with the 2011-2012 school year.

SECTION ____.29. The change in law made by Subsection (g-1), Section 44.004, Education Code, as added by this Act, applies beginning with adoption of a tax rate for the 2011 tax year.