

By: Pitts, Aycock

H.B. No. 3639

Substitute the following for H.B. No. 3639:

By: Pitts

C.S.H.B. No. 3639

A BILL TO BE ENTITLED

AN ACT

relating to state fiscal matters related to public and higher education.

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

ARTICLE 1. REDUCTION OF EXPENDITURES

AND IMPOSITION OF CHARGES GENERALLY

SECTION 1.01. This article applies to any state agency, school, institution of higher education, or other entity that receives an appropriation under Article III of the General Appropriations Act.

SECTION 1.02. Notwithstanding any other statute of this state, each entity to which this article applies is authorized to reduce or recover expenditures by:

(1) consolidating any reports or publications the entity is required to make and filing or delivering any of those reports or publications exclusively by electronic means;

(2) extending the effective period of any license, permit, or registration the entity grants or administers;

(3) entering into a contract with another governmental entity or with a private vendor to carry out any of the entity's duties;

(4) adopting additional eligibility requirements for persons who receive benefits under any law the entity administers to ensure that those benefits are received by the most deserving

1 persons consistent with the purposes for which the benefits are
2 provided;

3 (5) providing that any communication between the
4 entity and another person and any document required to be delivered
5 to or by the entity, including any application, notice, billing
6 statement, receipt, or certificate, may be made or delivered by
7 e-mail or through the Internet; and

8 (6) adopting and collecting fees or charges to cover
9 any costs the entity incurs in performing its lawful functions.

10 ARTICLE 2. FISCAL MATTERS CONCERNING RETIRED TEACHERS

11 SECTION 2.01. Section 825.404(a), Government Code, is
12 amended to read as follows:

13 (a) During each fiscal year, the state shall contribute to
14 the retirement system an amount equal to at least six and not more
15 than 10 percent of the aggregate annual compensation of all members
16 of the retirement system during that fiscal year. [~~The amount of
17 the state contribution made under this section may not be less than
18 the amount contributed by members during that fiscal year in
19 accordance with Section 825.402.~~]

20 SECTION 2.02. Section 1575.202(a), Insurance Code, is
21 amended to read as follows:

22 (a) Each state fiscal year, the state shall contribute to
23 the fund an amount equal to 0.5 [~~one~~] percent of the salary of each
24 active employee.

25 SECTION 2.03. The changes in law made by this article apply
26 beginning with the state fiscal year that begins September 1, 2011.

ARTICLE 3. FISCAL MATTERS CONCERNING

FOUNDATION SCHOOL PROGRAM PAYMENTS

SECTION 3.01. Sections 42.259(c), (d), and (f), Education Code, are amended to read as follows:

(c) Payments from the foundation school fund to each category 2 school district shall be made as follows:

(1) 22 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of September of a fiscal year;

(2) 18 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of October;

(3) 9.5 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of November;

(4) 7.5 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of April;

(5) five percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of May;

(6) 10 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of June;

(7) 13 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of July; and

1 (8) 15 percent of the yearly entitlement of the
2 district shall be paid in an installment to be made after the 5th
3 day of September and not later than the 10th day of September of the
4 calendar year following the calendar year of the payment made under
5 Subdivision (1) [~~on or before the 25th day of August~~].

6 (d) Payments from the foundation school fund to each
7 category 3 school district shall be made as follows:

8 (1) 45 percent of the yearly entitlement of the
9 district shall be paid in an installment to be made on or before the
10 25th day of September of a fiscal year;

11 (2) 35 percent of the yearly entitlement of the
12 district shall be paid in an installment to be made on or before the
13 25th day of October; and

14 (3) 20 percent of the yearly entitlement of the
15 district shall be paid in an installment to be made after the 5th
16 day of September and not later than the 10th day of September of the
17 calendar year following the calendar year of the payment made under
18 Subdivision (1) [~~on or before the 25th day of August~~].

19 (f) Except as provided by Subsection (c)(8) or (d)(3), any
20 [Any] previously unpaid additional funds from prior fiscal years
21 owed to a district shall be paid to the district together with the
22 September payment of the current fiscal year entitlement.

23 SECTION 3.02. Section 466.355(c), Government Code, is
24 repealed.

25 SECTION 3.03. The changes made by this article to Section
26 42.259, Education Code, apply only to a payment from the foundation
27 school fund that is made on or after the effective date of this Act.

1 A payment to a school district from the foundation school fund that
2 is made before that date is governed by Section 42.259, Education
3 Code, as it existed before amendment by this article, and the former
4 law is continued in effect for that purpose.

5 ARTICLE 4. FISCAL MATTERS CONCERNING ADVANCED PLACEMENT

6 SECTION 4.01. Section 28.053(h), Education Code, is amended
7 to read as follows:

8 (h) The commissioner may enter into agreements with the
9 college board and the International Baccalaureate Organization to
10 pay for all examinations taken by eligible public school students.
11 An eligible student is a student [~~one~~] who:

12 (1) takes a college advanced placement or
13 international baccalaureate course at a public school or who is
14 recommended by the student's principal or teacher to take the test;
15 and

16 (2) demonstrates financial need as determined in
17 accordance with guidelines adopted by the board that are consistent
18 with the definition of financial need adopted by the college board
19 or the International Baccalaureate Organization.

20 ARTICLE 5. FISCAL MATTERS

21 CONCERNING EARLY HIGH SCHOOL GRADUATION

22 SECTION 5.01. Subchapter K, Chapter 56, Education Code, is
23 amended by adding Section 56.2012 to read as follows:

24 Sec. 56.2012. EXPIRATION OF SUBCHAPTER; ELIGIBILITY
25 CLOSED. (a) This subchapter expires September 1, 2017.

26 (b) Notwithstanding Section 56.203, a person may not
27 receive an award under this subchapter if the person graduates from

1 high school on or after September 1, 2011.

2 SECTION 5.02. Section 54.213(b), Education Code, is amended
3 to read as follows:

4 (b) [~~Savings to the foundation school fund that occur as a~~
5 ~~result of the Early High School Graduation Scholarship program~~
6 ~~created in Subchapter K, Chapter 56, and that are not required for~~
7 ~~the funding of state credits for tuition and mandatory fees under~~
8 ~~Section 56.204 or school district credits under Section 56.2075~~
9 ~~shall be used first to provide tuition exemptions under Section~~
10 ~~54.212. Any of those savings remaining after providing tuition~~
11 ~~exemptions under Section 54.212 shall be used to provide tuition~~
12 ~~exemptions under Section 54.214.] The Texas Education Agency shall
13 [also] accept and make available to provide tuition exemptions
14 under Section 54.214 gifts, grants, and donations made to the
15 agency for that purpose. The commissioner of education shall
16 transfer those funds to the Texas Higher Education Coordinating
17 Board to distribute to institutions of higher education that
18 provide exemptions under that section. [~~Payment of funds under~~
19 ~~this subsection shall be made in the manner provided by Section~~
20 ~~56.207 for state credits under Subchapter K, Chapter 56.]~~~~

21 SECTION 5.03. Section 56.210, Education Code, is repealed.

22 ARTICLE 6. FISCAL MATTERS CONCERNING TUITION EXEMPTIONS

23 SECTION 6.01. Section 54.214(c), Education Code, is amended
24 to read as follows:

25 (c) To be eligible for an exemption under this section, a
26 person must:

27 (1) be a resident of this state;

- 1 (2) be a school employee serving in any capacity;
- 2 (3) for the initial term or semester for which the
3 person receives an exemption under this section, have worked as an
4 educational aide for at least one school year during the five years
5 preceding that term or semester;
- 6 (4) establish financial need as determined by
7 coordinating board rule;
- 8 (5) be enrolled at the institution of higher education
9 granting the exemption in courses required for teacher
10 certification in one or more subject areas determined by the Texas
11 Education Agency to be experiencing a critical shortage of teachers
12 at the public schools in this state [~~at the institution of higher~~
13 ~~education granting the exemption~~];
- 14 (6) maintain an acceptable grade point average as
15 determined by coordinating board rule; and
- 16 (7) comply with any other requirements adopted by the
17 coordinating board under this section.

18 SECTION 6.02. The change in law made by this article applies
19 beginning with tuition and fees charged for the 2011 fall semester.
20 Tuition and fees charged for a term or semester before the 2011 fall
21 semester are covered by the law in effect during the term or
22 semester for which the tuition and fees are charged, and the former
23 law is continued in effect for that purpose.

24 ARTICLE 7. FISCAL MATTERS CONCERNING DUAL
25 HIGH SCHOOL AND JUNIOR COLLEGE CREDIT

26 SECTION 7.01. Section 130.008(c), Education Code, is
27 amended to read as follows:

1 (c) The contact hours attributable to the enrollment of a
2 high school student in a course offered for joint high school and
3 junior college credit under this section, excluding a course for
4 which the student attending high school may receive course credit
5 toward the physical education curriculum requirement under Section
6 28.002(a)(2)(C), shall be included in the contact hours used to
7 determine the junior college's proportionate share of the state
8 money appropriated and distributed to public junior colleges under
9 Sections 130.003 and 130.0031, even if the junior college waives
10 all or part of the tuition or fees for the student under Subsection
11 (b).

12 SECTION 7.02. This article applies beginning with funding
13 for the 2011 fall semester.

14 ARTICLE 8. EFFECTIVE DATE

15 SECTION 8.01. This Act takes effect September 1, 2011.