

By: Davis, Ellis

S.B. No. 45

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the use of certain funds to finance the instructional
3 facilities allotment and the existing debt allotment of public
4 schools.

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

6 SECTION 1. Subsection (a), Section 46.003, Education Code,
7 is amended to read as follows:

8 (a) For each year, except as provided by Sections 46.005 and
9 46.006, a school district is guaranteed a specified amount per
10 student in state and local funds for each cent of tax effort, up to
11 the maximum rate under Subsection (b), to pay the principal of and
12 interest on eligible bonds issued to construct, acquire, renovate,
13 or improve an instructional facility. The amount of state support
14 is determined by the formula:

15
$$\text{FYA} = (\text{FYL} \times \text{ADA} \times \text{BTR} \times 100) - (\text{BTR} \times (\text{DPV}/100))$$

16 where:

17 "FYA" is the guaranteed facilities yield amount of state
18 funds allocated to the district for the year;

19 "FYL" is the dollar amount guaranteed level of state and
20 local funds per student per cent of tax effort, which is \$35 or:

21 (1) a greater amount for any year provided by
22 appropriation; or

23 (2) a greater amount to be financed through the
24 amounts in the foundation school fund required to be used for the

1 instructional facilities allotment by Section 49-g, Article III,
2 Texas Constitution;

3 "ADA" is the greater of the number of students in average
4 daily attendance, as determined under Section 42.005, in the
5 district or 400;

6 "BTR" is the district's bond tax rate for the current year,
7 which is determined by dividing the amount budgeted by the district
8 for payment of eligible bonds by the quotient of the district's
9 taxable value of property as determined under Subchapter M, Chapter
10 403, Government Code, or, if applicable, Section 42.2521, divided
11 by 100; and

12 "DPV" is the district's taxable value of property as
13 determined under Subchapter M, Chapter 403, Government Code, or, if
14 applicable, Section 42.2521.

15 SECTION 2. Subsection (a), Section 46.032, Education Code,
16 is amended to read as follows:

17 (a) Each school district is guaranteed a specified amount
18 per student in state and local funds for each cent of tax effort to
19 pay the principal of and interest on eligible bonds. The amount of
20 state support, subject only to the maximum amount under Section
21 46.034, is determined by the formula:

$$22 \quad \text{EDA} = (\text{EDGL} \times \text{ADA} \times \text{EDTR} \times 100) - (\text{EDTR} \times (\text{DPV}/100))$$

23 where:

24 "EDA" is the amount of state funds to be allocated to the
25 district for assistance with existing debt;

26 "EDGL" is the dollar amount guaranteed level of state and
27 local funds per student per cent of tax effort, which is \$35 or:

1 (1) a greater amount for any year provided by
2 appropriation; or

3 (2) a greater amount to be financed through the
4 amounts in the foundation school fund required to be used for the
5 existing debt allotment by Section 49-g, Article III, Texas
6 Constitution;

7 "ADA" is the number of students in average daily attendance,
8 as determined under Section 42.005, in the district;

9 "EDTR" is the existing debt tax rate of the district, which is
10 determined by dividing the amount budgeted by the district for
11 payment of eligible bonds by the quotient of the district's taxable
12 value of property as determined under Subchapter M, Chapter 403,
13 Government Code, or, if applicable, under Section 42.2521, divided
14 by 100; and

15 "DPV" is the district's taxable value of property as
16 determined under Subchapter M, Chapter 403, Government Code, or, if
17 applicable, under Section 42.2521.

18 SECTION 3. This Act takes effect January 1, 2014, but only
19 if the constitutional amendment proposed by the 83rd Legislature,
20 1st Called Session, 2013, requiring the transfer of funds dedicated
21 to the economic stabilization fund to the foundation school fund
22 for the benefit of school facilities is approved by the voters. If
23 that amendment is not approved by the voters, this Act has no
24 effect.