

## **BILL ANALYSIS**

S.B. 758  
By: Williams  
Appropriations  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Many public entities have accounting mechanisms that can be used in times of unpredictable economic conditions to defer certain payments until conditions are more stable. The Texas Legislature recently deployed such a mechanism by deferring certain foundation school payments from one fiscal year to the next in order to achieve a one-time cost savings. Interested parties assert that, while these mechanisms are useful during times of challenging budgetary conditions, it is beneficial to reverse them when conditions have improved to reduce any distortions that may arise from altering payment schedules. S.B. 758 seeks to provide for such a reversal as it relates to the schedule of payments from the foundation school fund to certain school districts.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

S.B. 758 amends the Education Code to change the payment schedule for each category 2 school district's yearly entitlement from the foundation school fund to require payment of the installment totaling 15 percent of the yearly entitlement on or before August 25, rather than after September 5 and not later than September 10 of the calendar year following the calendar year of the district's 22 percent installment payment. The bill changes the payment schedule for each category 3 school district's yearly entitlement from the foundation school fund to require payment of the installment totaling 20 percent of the yearly entitlement on or before August 25, rather than after September 5 and not later than September 10 of the calendar year following the calendar year of the district's 45 percent installment. The bill adds temporary provisions, set to expire August 31, 2013, to require these installments for the 2013 state fiscal year to be paid on or before August 30, 2013.

S.B. 758 amends the Government Code to change the deadline for the comptroller of public accounts' transfer of funds from the state lottery account to the foundation school fund from before August 25 to before the August installment payments are made.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, the 91st day after the last day of the legislative session.