

By: Kleinschmidt

H.B. No. 2574

A BILL TO BE ENTITLED

AN ACT

relating to a grant program to encourage certain school districts to retire debt or make capital improvements.

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

SECTION 1. Subchapter A, Chapter 41, Education Code, is amended by adding Section 41.014 to read as follows:

Sec. 41.014. GRANT PROGRAM FOR CERTAIN SCHOOL DISTRICTS.

(a) The commissioner shall establish a grant program in accordance with this section designed to encourage school districts that experience significant and rapid increases in wealth per student to retire debt or make appropriate capital improvements for the benefit of the district.

(b) A school district may apply for a one-year grant during the first school year that the district is required to take action to equalize wealth under this chapter if:

(1) the district's taxable property value per student has at least doubled during a two-year period;

(2) the district is ranked in the top 10 percent of school districts in this state based on wealth per student; and

(3) during the school year preceding the year of the application, the district:

(A) did not reduce the district's adopted maintenance and operations tax rate; and

(B) used maintenance and operations revenue to

1 retire debt, construct or renovate facilities, increase or upgrade
2 technology resources, or purchase school buses.

3 (c) A grant awarded under this section:

4 (1) may not exceed the amount of maintenance and
5 operations revenue expended by the district during the preceding
6 year for a purpose described by Subsection (b)(3)(B); and

7 (2) may be used only for a purpose described by
8 Subsection (b)(3)(B).

9 (d) Grants under this section shall be provided using funds
10 appropriated for that purpose.

11 (e) The commissioner shall adopt rules necessary to
12 implement this section.

13 SECTION 2. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2013.