A BILL TO BE ENTITLED

## AN ACT

relating to the regular program adjustment factor under the Foundation School Program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. The heading to Section 42.101, Education Code, is amended to read as follows:

Sec. 42.101. BASIC ALLOTMENT [AND REGULAR PROGRAM ALIOTMENTS].

SECTION 2. Section 42.101(a), Education Code, is amended to read as follows:
(a) 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 [The basic] allotment [is an amount] equal to the lesser of $\$ 4,765$ or the amount that results from the following formula:

$$
A=\$ 4,765 X \quad(D C R / M C R)
$$

where:
"A" is the allotment to which [fesulting amount fox] 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 3. 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 an adjusted basic [ regular program] 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 an adjusted basic [z fegular program] 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 adjusted basic [fegular program] 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 4. Section $42.251(a)$, Education Code, is amended to read as follows:
(a) The sum of the basic [xegular program] 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 5. The following sections of the Education Code are repealed:
(1) Sections 12.106(a-3) and (a-4); and
(2) Sections 42.101(c), (c-1), (c-2), and (c-3).

SECTION 6. The following sections of Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, which are effective September 1, 2015, are repealed:
(1) Section 57.09, which amended Section 42.101, Education Code;
(2) Section 57.11, which amended Section 42.105, Education Code; and
(3) Section 57.15, which amended Section 42.251(a), Education Code.

SECTION 7. This Act takes effect September 1, 2013.

