

AN ACT

relating to the effect of certain state aid on school districts required to take action to equalize wealth under the school finance system.

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

SECTION 1. The heading to Section 41.0041, Education Code, is amended to read as follows:

Sec. 41.0041. EFFECT OF [~~ADDITIONAL~~] STATE AID [~~FOR TAX REDUCTION~~].

SECTION 2. Subsections (b), (c), and (d), Section 41.0041, Education Code, are amended to read as follows:

(b) When the commissioner initially identifies a school district under Section 41.004 as having a wealth per student for a school year that exceeds the equalized wealth level, the commissioner shall estimate:

(1) the amount of state revenue to which the district is entitled under Chapter 42 [~~Section 42.2516~~] for that school year; and

(2) the cost to the district to purchase attendance credits under Subchapter D in an amount sufficient to reduce the district's wealth per student to the equalized wealth level for that school year.

(c) If the commissioner determines that the amount described by Subsection (b)(1) exceeds the amount described by

1 Subsection (b)(2), the commissioner shall notify the district of  
2 the commissioner's determination. In lieu of exercising an option  
3 described by Section 41.003, the district's board of trustees may  
4 authorize the commissioner to withhold from the state revenue to  
5 which the district is entitled under Chapter 42 [~~Section 42.2516~~]  
6 an amount equal to the amount described by Subsection (b)(2).

7 (d) In calculating the amount of state revenue to be  
8 withheld from a school district under this section, the  
9 commissioner shall calculate the cost for the district to reduce  
10 the district's wealth per student to the equalized wealth level  
11 using the final attendance and tax rate data for the school year and  
12 shall award the district any available credit or discount under  
13 Subchapter D as if the district had exercised the option under  
14 Section 41.003(3) in a timely manner. If the final amount  
15 calculated for the cost for the district to reduce the district's  
16 wealth per student to the equalized wealth level for a school year  
17 exceeds the amount of state revenue to which the district is  
18 entitled under Chapter 42 [~~Section 42.2516~~] for that year:

19 (1) the commissioner shall:

20 (A) withhold the entire amount of state revenue  
21 to which the district is entitled under Chapter 42 [~~Section~~  
22 ~~42.2516~~] for that year; and

23 (B) withhold the additional amount of the cost  
24 for the district to reduce the district's wealth per student to the  
25 equalized wealth level for that year from the state revenue to which  
26 the district is entitled under Chapter 42 [~~Section 42.2516~~] for a  
27 subsequent school year, or if the additional amount exceeds the

1 amount of state revenue to which the district is entitled, add the  
2 difference to the cost of the attendance credits that the district  
3 must purchase in the subsequent year; and

4 (2) the district is not required to take any further  
5 action to reduce its wealth per student for that year.

6 SECTION 3. Subsection (a), Section 57.32, Chapter 4 (S.B.  
7 1), Acts of the 82nd Legislature, 1st Called Session, 2011, is  
8 amended to read as follows:

9 (a) Effective September 1, 2017, the following provisions  
10 of the Education Code are repealed:

- 11 (1) [~~Section 41.0041;~~  
12 [~~(2)~~] Subsections (b), (b-1), (b-2), (c), (d), (e),  
13 (f), (f-1), (f-2), (f-3), and (i), Section 42.2516;  
14 (2) [~~(3)~~] Section 42.25161;  
15 (3) [~~(4)~~] Subsection (c), Section 42.2523;  
16 (4) [~~(5)~~] Subsection (g), Section 42.2524;  
17 (5) [~~(6)~~] Subsection (c-1), Section 42.253; and  
18 (6) [~~(7)~~] Section 42.261.

19 SECTION 4. This Act takes effect September 1, 2013.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1658 passed the Senate on April 25, 2013, by the following vote: Yeas 30, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1658 passed the House on May 22, 2013, by the following vote: Yeas 148, Nays 0, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor