

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 10, 2013

TO: Honorable Jimmie Don Aycock, Chair, House Committee on Public Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1658 by Paxton (Relating to the effect of certain state aid on school districts required to take action to equalize wealth under the school finance system.), **As Engrossed**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Education Code relating to the Foundation School Program (FSP) to allow a school district required to exercise an option to reduce its wealth per student under the provisions of Chapter 41 to authorize the commissioner of education to withhold from state revenue to which the district is entitled under Chapter 42 an amount equal to the amount required to be remitted for wealth-reduction purposes. This bill would allow current practice to continue beyond FY2017, at which point, in the absence of this or similar legislation, the provision allowing for this type of adjustment would expire with the expiration of provisions related to Additional State Aid for Tax Reduction.

Local Government Impact

A school district required to exercise an option to reduce its wealth per student under the provisions of Chapter 41 could continue to authorize the commissioner of education to withhold from state revenue to which the district is entitled under Chapter 42 an amount equal to the amount required to be remitted for wealth-reduction purposes beyond FY2017, when the provision was set to expire.

Source Agencies: 701 Central Education Agency

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