

By: Thompson of Brazoria

H.B. No. 2204

A BILL TO BE ENTITLED

AN ACT

relating to state support for assistance with payment of existing debt on certain bonds issued by school districts.

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

SECTION 1. Section 46.032, Education Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (d) to read as follows:

(a) Each school district is guaranteed a specified amount per student in state and local funds for each cent of tax effort to pay the principal of and interest on eligible bonds. The amount of state support, subject only to the maximum amount under Section 46.034, is determined by the formula:

$$\text{EDA} = (\text{EDGL} \times \text{ADA} \times \text{EDTR} \times 100) - (\text{EDTR} \times (\text{DPV}/100))$$

where:

"EDA" is the amount of state funds to be allocated to the district for assistance with existing debt;

"EDGL" is the dollar amount guaranteed level of state and local funds per student per cent of tax effort provided by Subsection (a-1) [~~which is \$35~~] or a greater amount for any year provided by appropriation;

"ADA" is the number of students in average daily attendance, as determined under Section 42.005, in the district;

"EDTR" is the existing debt tax rate of the district, which is determined by dividing the amount budgeted by the district for

1 payment of eligible bonds by the quotient of the district's taxable  
2 value of property as determined under Subchapter M, Chapter 403,  
3 Government Code, or, if applicable, under Section 42.2521, divided  
4 by 100; and

5 "DPV" is the district's taxable value of property as  
6 determined under Subchapter M, Chapter 403, Government Code, or, if  
7 applicable, under Section 42.2521.

8 (a-1) For purposes of Subsection (a), the dollar amount  
9 guaranteed level of state and local funds per student per cent of  
10 tax effort ("EDGL") is:

11 (1) \$35 for each cent of tax effort that does not  
12 exceed the rate of \$0.20 per \$100 of valuation; and

13 (2) \$60 for each cent of tax effort that exceeds the  
14 tax effort described by Subdivision (1).

15 (d) Notwithstanding any other provision of this chapter, a  
16 school district may use additional amounts of state assistance  
17 received under this subchapter as a result of changes made to the  
18 dollar amount guaranteed level of state and local funds by \_\_\_B.  
19 \_\_\_, Acts of the 84th Legislature, Regular Session, 2015, to  
20 accelerate the maturity date of previously issued bonds or to  
21 reduce the district's tax rate for purposes of debt service.

22 SECTION 2. Section 46.034(a), Education Code, is repealed.

23 SECTION 3. This Act takes effect September 1, 2015.