

By: Garcia

S.B. No. 556

A BILL TO BE ENTITLED

AN ACT

relating to a comprehensive review by the Texas Education Agency of weights, allotments, and adjustments under the public school finance system.

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

SECTION 1. Subchapter A, Chapter 42, Education Code, is amended by adding Section 42.010 to read as follows:

Sec. 42.010. COMPREHENSIVE REVIEW OF PUBLIC SCHOOL FINANCE WEIGHTS, ALLOTMENTS, AND ADJUSTMENTS. (a) The agency shall conduct a comprehensive review of weights, allotments, and adjustments under the public school finance system, including all current weights, allotments, and adjustments provided under this chapter and any additional weights, allotments, and adjustments that the agency determines may be appropriate. The review must determine the effectiveness of existing weights, allotments, and adjustments in fulfilling the mission of the public education system stated in Section 4.001(a) and furthering the state policy stated in Section 42.001. At a minimum, the review must determine how closely and appropriately each of the following elements reflects and provides financing for costs beyond the control of school districts:

(1) adjustments for costs related to the geographic variation in known resource costs and costs of education, controlling for the impact of unequalized wealth and hold-harmless

1 provisions, and properly reflecting the impact of high
2 concentrations of poverty on the compensation that school districts
3 must pay to attract and retain teachers of comparable or
4 appropriate quality;

5 (2) adjustments for costs related to the size and
6 diseconomies of scale of school districts;

7 (3) adjustments for costs related to the varying
8 instructional needs and characteristics of students and the extent
9 to which the adjustments provide each student with access to
10 programs and services that are appropriate to the student's
11 educational needs;

12 (4) other factors, in addition to economic status,
13 that correlate to at-risk status and the need for compensatory
14 education, and the degree to which those factors correspond to
15 additional educational costs; and

16 (5) the manner in which the cost adjustments are
17 applied to and affect the overall school finance system.

18 (b) The review of the adjustments described in Subsection
19 (a)(1) must:

20 (1) address all uncontrollable costs that can
21 reasonably be quantified;

22 (2) consider the qualifications, experience, and
23 turnover rate of personnel and the impact of those factors on
24 student achievement in considering the adequacy and comparability
25 of salaries;

26 (3) properly address the impact of factors that have a
27 large impact on certain types of school districts, such as extreme

1 isolation, regardless of general state impact;

2 (4) include only factors for which a rational economic
3 argument can be made;

4 (5) be carefully constructed to make sure that a cost
5 factor does not significantly affect more than one variable; and

6 (6) not be artificially adjusted to meet predetermined
7 outcomes and must not use arbitrary limits.

8 (c) In determining whether any additional weights,
9 allotments, and adjustments are appropriate under the public school
10 finance system, as required by Subsection (a), the agency shall
11 include consideration of an additional weight for educational
12 services provided to students in prekindergarten on a half-day
13 basis and on a full-day basis.

14 (d) The agency may contract with one or more consultants if
15 necessary to enable the agency to perform its duties under this
16 section.

17 (e) The Legislative Budget Board, the comptroller, the
18 state auditor, and any other state agency, official, or personnel
19 shall cooperate with the agency in carrying out its duties under
20 this section.

21 (f) Not later than December 1, 2016, the agency shall
22 provide a report that:

23 (1) states the findings of the review conducted under
24 this section; and

25 (2) includes recommendations for updated weights,
26 allotments, and adjustments and any other statutory changes
27 considered appropriate by the agency.

1 (g) This section expires January 1, 2017.

2 SECTION 2. This Act takes effect immediately if it receives
3 a vote of two-thirds of all the members elected to each house, as
4 provided by Section 39, Article III, Texas Constitution. If this
5 Act does not receive the vote necessary for immediate effect, this
6 Act takes effect September 1, 2015.