## BILL ANALYSIS

C.S.S.B. 16

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Public Education
Committee Report (Substituted)

## BACKGROUND AND PURPOSE

Interested parties suggest that changes to the public school finance system are necessary to meet the requirement under the Texas Constitution that the legislature establish and make suitable provision for the support and maintenance of an efficient system of public free schools. C.S.S.B. 16 seeks to provide the framework to facilitate these changes by establishing a commission to recommend improvements to the public school finance system.

## CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

## RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.


#### Abstract

ANALYSIS C.S.S.B. 16 amends the Education Code to establish the Texas Commission on Public School Finance to develop and make recommendations for improvements to the current public school finance system or for new methods of financing public schools. The bill sets out the composition of the 15 -member commission, which includes members appointed by the governor, lieutenant governor, and speaker of the house of representatives. The bill requires the members appointed by the governor to have a background in public education and to include an administrator in the public school system, a person with a substantive background in state and local taxation, a member of the business community, and a member of the civic community. The bill requires the appointments made by the lieutenant governor and the speaker of the house of representatives to each consist of three members of the applicable legislative chamber, including the presiding officer of the standing committee of each chamber with jurisdiction over public education or that officer's designated representative; an administrator in the public school system or an elected member of the board of trustees of a public school district; and a current or retired classroom teacher with at least 10 years of teaching experience, provided that one of the appointed classroom teachers must specialize or have specialized in special education, bilingual education, or career and technology education.


C.S.S.B. 16 requires the appointing officers, in making appointments, to coordinate to ensure that the membership of the commission reflects, to the extent possible, the ethnic and geographic diversity of Texas. The bill requires the appropriate persons, not later than the 30th day after the bill's effective date, to make the required appointments and designations. The bill requires the governor to designate the commission's presiding officer and entitles a member of the commission to reimbursement for actual and necessary expenses incurred in performing commission duties but not compensation for service. The bill requires staff members of the

Texas Education Agency (TEA) to provide administrative support for the commission and requires funding for the administrative and operational expenses of the commission to be provided by appropriation to TEA for that purpose.
C.S.S.B. 16 requires the commission to develop recommendations to address issues related to the public school finance system, including the purpose of the public school finance system and the relationship between state and local funding in that system, the appropriate levels of local maintenance and operations and interest and sinking fund tax effort necessary to implement a public school finance system that complies with the requirements under the Texas Constitution, and policy changes to the public school finance system necessary to adjust for student demographics and the geographic diversity in Texas. The bill authorizes the commission to establish one or more working groups composed of not more than five members of the commission to study, discuss, and address specific policy issues and recommendations to refer to the commission for consideration. The bill requires the commission, not later than December 31, 2018, to prepare and deliver a report to the governor and the legislature that recommends statutory changes to improve the public school finance system, including any adjustments to funding to account for student demographics. The bill authorizes the commission to hold public meetings as needed to fulfill its duties and subjects the commission to state open meetings law and state public information law. The commission is abolished and the bill's provisions expire January 8, 2019.

## EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, the 91st day after the last day of the legislative session.

## COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE

While C.S.S.B. 16 may differ from the engrossed in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

## SENATE ENGROSSED

SECTION 1. Chapter 42, Education Code, is amended by adding Subchapter L to read as follows:
SUBCHAPTER L. TEXAS
COMMISSION ON PUBLIC SCHOOL FINANCE

Sec. 42.601. DEFINITION.
Sec. 42.602. TEXAS COMMISSION ON PUBLIC SCHOOL FINANCE. (a) The Texas Commission on Public School Finance is established to develop and make recommendations for improvements to the current public school finance system or for new methods of financing public schools. (b) The commission is composed of 13 members, consisting of the following:
(1) four members appointed by the governor;
(2) four members appointed by the

## HOUSE COMMITTEE SUBSTITUTE

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

| SUBCHAPTER | L. | TEXAS |
| :--- | :--- | ---: |
| COMMISSION | ON | PUBLIC |
| SCHOOL |  |  |
| FINANCE |  |  |

Sec. 42.601. DEFINITION.
Sec. 42.602. TEXAS COMMISSION ON PUBLIC SCHOOL FINANCE. (a) The Texas Commission on Public School Finance is established to develop and make recommendations for improvements to the current public school finance system or for new methods of financing public schools. (b) The commission is composed of 15 members, consisting of the following:
(1) five members appointed by the governor;
(2) five members appointed by the
lieutenant governor;
(3) four members appointed by the speaker of the house of representatives; and
(4) a member of the State Board of Education, as designated by the chair of that board.
(c) The members appointed by the governor must have an interest in public education and include at least:
(1) one person who is a current or retired classroom teacher with at least 10 years of teaching experience;
(2) one person who is a member of the business community; and
(3) one person who is a member of the civic community.
(d) The appointments made by the lieutenant governor and the speaker of the house of representatives must each consist of:
(1) three members of the applicable legislative chamber; and
(2) an administrator in the public school system or an elected member of the board of trustees of a school district.
(See Subsec. (c)(1) above.)
(e) In making appointments under Subsections (b)(1), (2), and (3), the governor, lieutenant governor, and speaker of the house of representatives shall coordinate to ensure that the membership of the commission reflects, to the extent possible, the ethnic and geographic diversity of this state.

Sec. 42.603. PRESIDING OFFICER.

Sec. 42.604. COMPENSATION AND
lieutenant governor; and
(3) five members appointed by the speaker of the house of representatives.
(c) The members appointed by the governor must have a background in public education and include:
(See Subsec. (d)(3) below.)
(1) an administrator in the public school system;
(2) a person with a substantive background in state and local taxation;
(3) a member of the business community; and
(4) a member of the civic community.
(d) The appointments made by the lieutenant governor and the speaker of the house of representatives must each consist of:
(1) three members of the applicable legislative chamber, including the presiding officer of the standing committee of each chamber with jurisdiction over public education or a representative of the presiding officer designated by the presiding officer;
(2) an administrator in the public school system or an elected member of the board of trustees of a school district; and
(3) a person who is a current or retired classroom teacher with at least 10 years of teaching experience, provided that one of the persons appointed under this subdivision must specialize or have specialized in special education, bilingual education, or career and technology education.
(e) In making appointments, the governor, lieutenant governor, and speaker of the house of representatives shall coordinate to ensure that the membership of the commission reflects, to the extent possible, the ethnic and geographic diversity of this state.

Sec. 42.603. PRESIDING OFFICER.
Sec. 42.604. COMPENSATION AND

Sec. 42.605. ADMINISTRATIVE SUPPORT AND FUNDING.

Sec. 42.606. RECOMMENDATIONS.
Sec. 42.607. REPORT.

Sec. 42.608. PUBLIC MEETINGS AND PUBLIC INFORMATION.

Sec. 42.609. COMMISSION ABOLISHED; EXPIRATION OF SUBCHAPTER.

SECTION 2. Not later than the 30th day after the effective date of this Act, the appropriate persons shall make the appointments and designations required by Section 42.602, Education Code, as added by this Act.

SECTION 3. This Act takes effect immediately if it receives a vote of twothirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect on the 91st day after the last day of the legislative session.

Sec. 42.605. ADMINISTRATIVE SUPPORT AND FUNDING.

Sec. 42.606. RECOMMENDATIONS.
Sec. 42.607. REPORT.

Sec. 42.608. PUBLIC MEETINGS AND PUBLIC INFORMATION.

| Sec. 42.609. | COMMISSION |  |
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| ABOLISHED; | EXPIRATION | OF |
| SUBCHAPTER. |  |  |

SECTION 2. Same as engrossed version.

SECTION 3. Same as engrossed version.

