

BILL ANALYSIS

H.B. 3722
By: King, Ken
Public Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

There are concerns that school districts that annex academically unacceptable school districts by order of the commissioner of education and that are subject to Education Code provisions concerning the equalized wealth level are not eligible for the five-year subsidy provided by the state for the annexation which compromises the spirit of partnership necessary for educating students of districts closed due to poor performance. H.B. 3722 seeks to address this issue by extending the subsidy to such districts.

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 rulemaking authority is expressly granted to the commissioner of education in SECTION 1 of this bill.

ANALYSIS

H.B. 3722 amends the Education Code to remove the requirement that the commissioner of education annually adjust the local fund assignment of a district to which territory of an academically unacceptable district is annexed by multiplying the enlarged district's local fund assignment by a fraction, the numerator of which is the number of students residing in the district preceding the date of the annexation and the denominator of which is the number of students residing in the district as enlarged on the date of the annexation. The bill instead requires the amount of funding to be determined by multiplying the lesser of the enlarged district's local fund assignment or the enlarged district's total cost of Tier I by a fraction, the numerator of which is the number of students residing in the territory annexed to the receiving district preceding the date of the annexation and the denominator of which is the number of students residing in the district as enlarged on the date of the annexation.

H.B. 3722 authorizes the commissioner to authorize a district to receive incentive aid payments instead of additional funding based on the formula as amended by the bill if the commissioner determines that would result in greater payments for the district. The bill establishes the commissioner's determination as final and prohibits its appeal. The bill specifies that additional funding based on the formula as amended by the bill or through incentive aid payments or additional state aid based on any additional indebtedness incurred by the district due to the annexation is in addition to other funding the district receives through other provisions of the Education Code, including those relating to the equalized wealth level and the foundation school program. The bill authorizes the commissioner to adopt rules as necessary to implement provisions relating to the commissioner-ordered annexation of academically unacceptable districts.

EFFECTIVE DATE

September 1, 2017.