# BILL ANALYSIS

Senate Research Center 85R12213 KJE-F S.B. 2144 By: Taylor, Larry Education 4/13/2017 As Filed

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 2144 establishes the Texas Commission on Public School Finance (TCPSF) to develop and make recommendations for improvements to the current public school finance system or for new methods of financing public schools.

TCPSF is composed of 15 members, including four members appointed by the governor, three members appointed by the lieutenant governor, and three members appointed by the speaker of the house of representatives.

In addition, the chair of the Senate Committee on Education (or a designee), the chair of the Senate Committee on Finance (or a designee), the chair of the House of Representatives Committee on Public Education (or a designee), the chair of the House of Representatives Committee on Appropriations (or a designee), and a member of the State Board of Education, as designated by the chair of that board, will also serve as members of TCPSF.

The bill also requires that the appointed membership include: an administrator in the public school system, a member of the business community, a member of the civic community, a member of the public securities industry who specializes in public school transactions, and a leader in research concerning student demographics in the public school system.

The governor appoints the presiding officer.

TCPSF will study the purpose and relationship between state and local funding in a public school funding system as well the appropriate levels of M&O and I&S tax effort necessary to properly implement a public school finance system under the Texas Constitution.

TCPSF shall recommend policy changes to the public school system related to demographic and geographic adjustments.

TCPSF shall deliver a report to the legislature and the governor by September 1, 2018.

As proposed, S.B. 2144 amends current law relating to the creation of a commission to recommend improvements to the public school finance system.

#### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

#### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 42, Education Code, by adding Subchapter L, as follows:

## SUBCHAPTER L. TEXAS COMMISSION ON PUBLIC SCHOOL FINANCE

Sec. 42.601. DEFINITION. Defines "commission."

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Sec. 42.602. TEXAS COMMISSION ON PUBLIC SCHOOL FINANCE. (a) Establishes the Texas Commission on Public School Finance (TCPSF).

(b) Sets forth the member composition of TCPSF.

(c) Requires the governor, lieutenant governor, and speaker of the house of representatives, in making appointments under Subsections (b)(1), (2), and (3), to coordinate to ensure that TCPSF includes at least one of each of certain representatives.

Sec. 42.603. PRESIDING OFFICER. Requires the governor to designates the presiding officer of TCPSF.

Sec. 42.604. COMPENSATION AND REIMBURSEMENT. Provides that a member of TCPSF is not entitled to compensation for service on TCPSF but is entitled to reimbursement for actual and necessary expenses incurred in performing TCPSF duties.

Sec. 42.605. ADMINISTRATIVE SUPPORT AND FUNDING. (a) Requires staff members of the Texas Education Agency (TEA) to provide administrative support for TCPSF.

(b) Requires that funding for the administrative and operational expenses of TCPSF be provided by appropriation to TEA for that purpose.

Sec. 42.606. RECOMMENDATIONS. (a) Requires TCPSF to develop recommendations under this subchapter to address 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 the state.

(b) Authorizes TCPSF to establish one or more working groups composed of not more than six members of TCPSF to study, discuss, and address specific policy issues and recommendations to refer to TCPSF for consideration.

Sec. 42.607. REPORT. Requires TCPSF, not later than September 1, 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.

Sec. 42.608. PUBLIC MEETINGS AND PUBLIC INFORMATION. (a) Authorizes TCPSF to hold public meetings as needed to fulfill its duties under this subchapter.

(b) Provides that TCPSF is subject to Chapters 551 (Open Meetings) and 552 (Public Information), Government Code.

Sec. 42.609. COMMISSION ABOLISHED; EXPIRATION OF SUBCHAPTER. (a) Provides that TCPSF is abolished January 1, 2019.

(b) Provides that this subchapter expires January 1, 2019.

SECTION 2. Effective date: upon passage or September 1, 2017.