

By: King of Hemphill

H.B. No. 481

A BILL TO BE ENTITLED

AN ACT

relating to the recovery of overallocated state funds by the Texas Education Agency.

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

SECTION 1. Section 42.258, Education Code, is amended by adding Subsections (a-2) and (a-3) to read as follows:

(a-2) Notwithstanding any other provision of this section except as provided by Subsection (a-3), the agency may not recover an overallocation of state funds if:

(1) the overallocation occurred more than seven years before the date the overallocation is discovered; and

(2) the overallocation occurred as a result of statutory changes to this title and related requirements.

(a-3) Subsection (a-2) does not apply to recovery of state funds allocated to a district under Section 41.0931 or 42.2524 if the state seeks to recover the funds as a result of the district receiving reimbursement through insurance proceeds, federal disaster relief payments, or another similar source of reimbursement for the costs for which the state funds were allocated.

SECTION 2. Section 42.258(a-2), Education Code, as added by this Act, applies to each overallocation of state funds discovered on or after the effective date of this Act, regardless of the date on which the overallocation of state funds occurred.

1 SECTION 3. This Act takes effect September 1, 2017.