

By: Watson

S.B. No. 356

A BILL TO BE ENTITLED

AN ACT

relating to the equalized wealth level and the guaranteed yield under the public school finance system.

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

SECTION 1. Section 41.002(a), Education Code, is amended to read as follows:

(a) A school district may not have a wealth per student that exceeds:

(1) the wealth per student that generates the amount of maintenance and operations tax revenue per weighted student available to a district with maintenance and operations tax revenue per cent of tax effort equal to the maximum amount provided per cent under Section 42.101(a) or (b), for the district's maintenance and operations tax effort equal to or less than the rate equal to the sum of the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year and any additional tax effort included in calculating the district's compressed tax rate under Section 42.101(a-1);

(2) the wealth per student that generates the amount of maintenance and operations tax revenue per weighted student available to the Austin Independent School District, as determined by the commissioner in cooperation with the Legislative Budget Board, for the first six cents by which the district's maintenance

1 and operations tax rate exceeds the rate equal to the sum of the
2 product of the state compression percentage, as determined under
3 Section 42.2516, multiplied by the maintenance and operations tax
4 rate adopted by the district for the 2005 tax year and any
5 additional tax effort included in calculating the district's
6 compressed tax rate under Section 42.101(a-1), subject to Section
7 41.093(b-1); or

8 (3) the wealth per student that generates the dollar
9 amount guaranteed level of state and local funds per weighted
10 student per cent of tax effort specified under Section
11 42.302(a-1)(2) [\$319,500], for the district's maintenance and
12 operations tax effort that exceeds the amount of tax effort
13 described by Subdivision (2).

14 SECTION 2. Section 42.302(a-1), Education Code, is amended
15 to read as follows:

16 (a-1) For purposes of Subsection (a), the dollar amount
17 guaranteed level of state and local funds per weighted student per
18 cent of tax effort ("GL") for a school district is:

19 (1) the greater of the amount of district tax revenue
20 per weighted student per cent of tax effort that would be available
21 to the Austin Independent School District, as determined by the
22 commissioner in cooperation with the Legislative Budget Board, if
23 the reduction of the limitation on tax increases as provided by
24 Section 11.26(a-1), (a-2), or (a-3), Tax Code, did not apply, or the
25 amount of district tax revenue per weighted student per cent of tax
26 effort used for purposes of this subdivision in the preceding
27 school year, for the first six cents by which the district's

1 maintenance and operations tax rate exceeds the rate equal to the
2 sum of the product of the state compression percentage, as
3 determined under Section 42.2516, multiplied by the maintenance and
4 operations tax rate adopted by the district for the 2005 tax year
5 and any additional tax effort included in calculating the
6 district's compressed tax rate under Section 42.101(a-1); and

7 (2) the amount of district tax revenue per weighted
8 student per cent of tax effort available to a district with
9 maintenance and operations tax revenue per cent of tax effort equal
10 to the maximum amount provided per cent under Section 42.101(a) or
11 (b) [\$31.95], for the district's maintenance and operations tax
12 effort that exceeds the amount of tax effort described by
13 Subdivision (1).

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