

A BILL TO BE ENTITLED

AN ACT

relating to the small-sized district adjustment under the Foundation School Program.

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

SECTION 1. Section 12.106(a-1), Education Code, is amended to read as follows:

(a-1) In determining funding for an open-enrollment charter school under Subsection (a):

(1) ~~the~~ adjustments under Sections 42.102, ~~42.103,~~ 42.104, and 42.105 are based on the average adjustment for the state; and

(2) the adjustment under Section 42.103 is based on the average adjustment for the state that would have been provided under that section as it existed on January 1, 2017.

SECTION 2. (a) Effective September 1, 2022, Sections 42.103(b) and (d), Education Code, are amended to read as follows:

(b) The basic allotment of a school district that ~~contains at least 300 square miles and~~ has not more than 1,600 students in average daily attendance is adjusted by applying the formula:

$$AA = (1 + ((1,600 - ADA) \times .0004)) \times ABA$$

(d) The basic allotment of a school district that offers a kindergarten through grade 12 program and has less than 5,000 students in average daily attendance is adjusted by applying the formula, of the following formulas, that results in the greatest

1 adjusted allotment:

2 (1) the formula in Subsection (b), if [~~or (c) for~~  
3 ~~which~~] the district is eligible for that formula; or

4 (2)  $AA = (1 + ((5,000 - ADA) \times .000025)) \times ABA$ .

5 (b) Effective September 1, 2022, Section 42.103(c),  
6 Education Code, is repealed.

7 SECTION 3. Section 42.103(c), Education Code, is amended to  
8 read as follows:

9 (c) The basic allotment of a school district that contains  
10 less than 300 square miles and has not more than 1,600 students in  
11 average daily attendance is adjusted by applying the following  
12 formulas [~~formula~~]:

13 (1) for the fiscal year beginning September 1, 2017:

14  $AA = (1 + ((1,600 - ADA) \times \underline{.000275} [\del{.00025}])) \times ABA$

15 i

16 (2) for the fiscal year beginning September 1, 2018:

17  $AA = (1 + ((1,600 - ADA) \times \underline{.00030})) \times ABA$

18 i

19 (3) for the fiscal year beginning September 1, 2019:

20  $AA = (1 + ((1,600 - ADA) \times \underline{.000325})) \times ABA$

21 i

22 (4) for the fiscal year beginning September 1, 2020:

23  $AA = (1 + ((1,600 - ADA) \times \underline{.00035})) \times ABA$

24 ; and

25 (5) for the fiscal year beginning September 1, 2021:

26  $AA = (1 + ((1,600 - ADA) \times \underline{.000375})) \times ABA$

27 SECTION 4. Except as otherwise provided by this Act, this

S.B. No. 678

1 Act takes effect September 1, 2017.