

By: Meyer

H.B. No. 4593

A BILL TO BE ENTITLED

AN ACT

relating to the equalized wealth level and the guaranteed yield under the 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 eight [~~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), subject  
7 to Section 41.093(b-1); or

8 (3) \$319,500, for the district's maintenance and  
9 operations tax effort that exceeds the amount of tax effort  
10 described by Subdivision (2).

11 SECTION 2. Section 42.101(a-1), Education Code, is amended  
12 to read as follows:

13 (a-1) Notwithstanding Subsection (a), for a school district  
14 that adopted a maintenance and operations tax rate for the 2005 tax  
15 year below the maximum rate permitted by law for that year, the  
16 district's compressed tax rate ("DCR") includes the portion of the  
17 district's current maintenance and operations tax rate in excess of  
18 the first eight [~~six~~] cents above the district's compressed tax  
19 rate, as defined by Subsection (a), until the district's compressed  
20 tax rate computed in accordance with this subsection is equal to the  
21 state maximum compressed tax rate ("MCR").

22 SECTION 3. Section 42.302(a-1), Education Code, is amended  
23 to read as follows:

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

27 (1) the greater of the amount of district tax revenue

1 per weighted student per cent of tax effort that would be available  
2 to the Austin Independent School District, as determined by the  
3 commissioner in cooperation with the Legislative Budget Board, if  
4 the reduction of the limitation on tax increases as provided by  
5 Section 11.26(a-1), (a-2), or (a-3), Tax Code, did not apply, or the  
6 amount of district tax revenue per weighted student per cent of tax  
7 effort used for purposes of this subdivision in the preceding  
8 school year, for the first eight [~~six~~] cents by which the district's  
9 maintenance and operations tax rate exceeds the rate equal to the  
10 sum of the product of the state compression percentage, as  
11 determined under Section 42.2516, multiplied by the maintenance and  
12 operations tax rate adopted by the district for the 2005 tax year  
13 and any additional tax effort included in calculating the  
14 district's compressed tax rate under Section 42.101(a-1); and

15 (2) \$31.95, for the district's maintenance and  
16 operations tax effort that exceeds the amount of tax effort  
17 described by Subdivision (1).

18 SECTION 4. This Act takes effect September 1, 2019.