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| BILL ANALYSIS |

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| C.S.H.B. 3028 |
| By: Meyer |
| Public Education |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE** H.B. 3, passed by the legislature in 2019, eliminated the early agreement credit, which entitled a school district that submitted a signed agreement to the commissioner of education before September 1 of the school year to reduce the total amount required to be paid for recapture by four percent. School districts statewide are suffering due to the loss of this credit and due to the significant growth in recapture caused by increased property values. Re‑introducing an early payment agreement credit would both provide districts relief from recapture and allow the state to collect recapture payments, which are projected to total roughly $5 billion in each of the next several fiscal years, six months earlier so that the state can benefit from interest on those funds. C.S.H.B. 3028 reintroduces the early agreement credit.  |
| **CRIMINAL JUSTICE IMPACT**It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **RULEMAKING AUTHORITY** It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution. |
| **ANALYSIS** C.S.H.B. 3028 amends the Education Code to reduce the total amount required for a public school district to purchase attendance credit for any school year by four percent if the district:* elects to pay for the credit purchased in one payment for the total amount required to be paid by the district not later than August 15 of the school year for which the agreement is in effect; and
* pays the total required amount not later than February 15 of the school year for which the agreement is in effect.

The bill requires the reduction to be made after making any reduction to which the district is entitled for appraisal costs or as otherwise provided by state law. |
| **EFFECTIVE DATE** September 1, 2023. |
| **COMPARISON OF INTRODUCED AND SUBSTITUTE**While C.S.H.B. 3028 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.The substitute includes a requirement absent in the introduced for the reduction to be made after making any other reduction to which a district is entitled for appraisal costs or as otherwise provided by state law. |