

By: Hinojosa

H.B. No. 3951

A BILL TO BE ENTITLED

AN ACT

relating to a pilot program using average enrollment for purposes of the public school finance system.

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

SECTION 1. Subchapter A, Chapter 48, Education Code, is amended by adding Section 48.0052 to read as follows:

Sec. 48.0052. AVERAGE ENROLLMENT PILOT PROGRAM. (a) The commissioner by rule shall establish a pilot program under which participating school districts and open-enrollment charter schools receive funding under the public school finance system based on average enrollment instead of average daily attendance.

(b) A school district or open-enrollment charter school must apply to participate in the pilot program.

(c) To the extent practicable, the commissioner shall approve for participation in the pilot program:

(1) five school districts with a student enrollment as follows:

(A) one district with a student enrollment of 1,500 or less;

(B) one district with a student enrollment of more than 1,500 but not more than 5,000;

(C) one district with a student enrollment of more than 5,000 but not more than 20,000;

(D) one district with a student enrollment of

1 more than 20,000 but less than 50,000; and

2 (E) one district with a student enrollment of
3 50,000 or more; and

4 (2) three open-enrollment charter schools of three
5 different sizes, as determined by the commissioner.

6 (d) Under the pilot program, the commissioner shall, for
7 each participating school district or open-enrollment charter
8 school, for the 2023-2024 and 2024-2025 school years:

9 (1) reduce by \$200 the amount of the basic allotment
10 determined under Section 48.051 for each student enrolled in the
11 district or school;

12 (2) calculate the district's or school's entitlement
13 under Chapter 46 and this chapter using the average number of
14 students enrolled at the district or school instead of the
15 district's or school's average daily attendance determined under
16 Section 48.005; and

17 (3) make the payments from the foundation school fund
18 to the district or school under Section 48.273 in four equal amounts
19 on or before dates determined by commissioner rule.

20 (e) Not later than December 1, 2024, the commissioner shall
21 submit to the legislature a written report on the results of the
22 pilot program and any recommendations for legislative or other
23 action.

24 (f) The commissioner may adopt rules as necessary to
25 implement the pilot program.

26 (g) This section expires September 1, 2025.

27 SECTION 2. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2023.