

By: Anchía

H.B. No. 2835

A BILL TO BE ENTITLED

AN ACT

relating to the basic allotment and guaranteed yield under the Foundation School Program, including an adjustment in those amounts to reflect inflation.

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

SECTION 1. Section 48.051, Education Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) Subject to adjustment under Subsection (a-1), for ~~For~~ each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an allotment equal to the lesser of \$7,075 ~~[\$6,160]~~ or the amount that results from the following formula:

$$A = \underline{\$7,075} \text{ } \underline{[\$6,160]} \times \text{TR/MCR}$$

where:

"A" is the allotment to which a district is entitled;

"TR" is the district's tier one maintenance and operations tax rate, as provided by Section 45.0032; and

"MCR" is the district's maximum compressed tax rate, as determined under Section 48.2551.

(a-1) Beginning with the 2026-2027 school year, the basic

1 allotment provided to a district under Subsection (a) or (b) is  
2 adjusted annually to increase the allotment by the amount that  
3 results from applying the inflation rate, as determined by the  
4 comptroller on the basis of changes in the Consumer Price Index for  
5 All Urban Consumers published by the Bureau of Labor Statistics of  
6 the United States Department of Labor, to the allotment for the  
7 preceding school year.

8 SECTION 2. Section 48.202(a-1), Education Code, is amended  
9 to read as follows:

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

13 (1) the greater of the amount of district tax revenue  
14 per weighted student per cent of tax effort available to a school  
15 district at the 96th percentile of wealth per weighted student or  
16 the amount that results from multiplying the maximum amount of the  
17 basic allotment provided under Section 48.051 for the applicable  
18 school year [6,160, or the greater amount provided under Section  
19 48.051(b), if applicable,] by 0.016, for the first eight cents by  
20 which the district's maintenance and operations tax rate exceeds  
21 the district's tier one tax rate; and

22 (2) subject to Subsection (f), the amount that results  
23 from multiplying the maximum amount of the basic allotment provided  
24 under Section 48.051 for the applicable school year [\$6,160, or the  
25 greater amount provided under Section 48.051(b), if applicable,] by  
26 0.008, for the district's maintenance and operations tax effort  
27 that exceeds the amount of tax effort described by Subdivision (1).

1 SECTION 3. This Act takes effect September 1, 2025.