By: Garcia Hernandez H.B. No. 1195

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 career and technology education programs or in special education programs in a setting other than a general education setting, for which an additional allotment is made under Subchapter C, a school district is entitled to an allotment equal to the lesser of the amounts that result from the following formulas:

(1) A = $7,500 [~~$6,160~~] + GYIA; or

(2) A = ($7,500 [~~$6,160~~] + GYIA) X TR/MCR

where:

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

"GYIA" is the guaranteed yield increment adjustment determined under Section 48.2561;

"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 2028-2029 school year, the basic allotment provided to a district under Subsection (a) or (b) is adjusted annually to increase the allotment by the amount that results from applying the inflation rate, as determined by the comptroller on the basis of changes in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, to the allotment for the preceding school year.

SECTION 2. This Act takes effect September 1, 2027.