



# 84<sup>th</sup> Legislative Session Update

CLC Meeting

May 4, 2015



# 84<sup>th</sup> Legislative Session Bills

## Assessment and Accountability:

- ❖ SB 149: creates Individual Graduation Committees
  - Has been sent to Governor's office for signature
  
- ❖ HB 2804: intended to begin the process of developing an accountability system that relies on a broader set of standards and measures – not solely standardized test scores
  - Voted out of House Public Education Committee on April 28<sup>th</sup> with amendment to add A-F rating system



# 84<sup>th</sup> Legislative Session Bills

## Assessment and Accountability:

- ❖ CSHB 742 – eliminates state assessments in 8<sup>th</sup> grade social studies
  - Reported out of House Public Education Committee on April 22<sup>nd</sup>
  
- ❖ CSHB 1164 – Revises assessments of English I, English II and grades 4 and 7
  - Passed 3<sup>rd</sup> reading in House on April 30th
  
- ❖ CSSB 14 – creates a “parent trigger” that allows parents to petition for the reconstitution, repurposing, alternative management, or closure of low-performing public schools
  - Passed Senate on April 15<sup>th</sup> and received in House on April 16th



# 84<sup>th</sup> Legislative Session Bills

## Assessment and Accountability:

- ❖ HB 1536, SB 669 and SB 895 – establishes a Texas Opportunity School District (TOSD)
  - Creates a state-wide, state-run school district
  - Removes a campus rated academically unacceptable for two or more years to the TOSD
  - Turns campus over to another entity, such as a charter operator
  - HB 1536 was voted out of the House Public Ed Committee



# 84<sup>th</sup> Legislative Session Bills

## Assessment and Accountability:

- ❖ HB 181 – Eliminates requirements that districts indicate endorsements, distinguished achievement and performance acknowledgements on diplomas
  - Scheduled for Senate Education Committee on May 5th



# 84<sup>th</sup> Legislative Session Bills

## School Choice:

### ❖ Voucher Bill:

- CSSB 4 – creates a taxpayer savings grant and scholarships for eligible students to be used to pay costs of attending private schools
- Received in the House on April 22<sup>nd</sup>



# 84<sup>th</sup> Legislative Session Bills

## Early Childhood:

- ❖ CSHB 4 - provides additional funding available for high-quality prekindergarten programs.
  - Passed Senate Ed Committee on April 30<sup>th</sup>



# 84<sup>th</sup> Legislative Session

## General Appropriations Act

### ❖ Senate Bill 2

- FSP - \$42,401,300,000
- Property Tax Relief - \$3.0 billion
- Franchise Tax Relief - \$1.5 billion

### ❖ Amended Senate Bill 2

- Property Tax Relief - \$2.1 billion
- Franchise Tax Relief - \$2.5 billion
- FSP Basic Allotment - \$1.18 billion

### ❖ House Bill 1

- FSP - \$41,417,500,000
- Improvements to FSP - \$2.21 billion above enrollment growth

### ❖ Conference Substitute HB 1

- Amendment - \$800 million for FSP





# 84<sup>th</sup> Legislative Session

## Senate Bills Affecting School Finance

### ❖ Senate Bill 1 – Property Tax Relief

- Homestead Exemption

- 25% of state's median market value as of July 25 (*for 2015 - September 30*)

- 2015 -  $\$134,500 \times 25\% = \$33,625$

- 2016 -  $\$143,915 \times 25\% = \$35,979$

- M&O Hold Harmless – based on 2014 tax rate

- I&S Hold Harmless – based on debt service payments as of January 1, 2015 (*fiscal 2014-15*)

- Optional Homestead Exemption – prohibition to reduce or repeal for 10 years

- State-wide Election – September 12, 2015

- CFISD Impact of Amended SB 2 - \$20 million compared to current law

### ❖ Senate Bill 7 – Franchise Tax Relief

- Reduces current franchise tax rate by 15%

### ❖ Senate Bill 8 – Franchise Tax Relief

- Exempts businesses that have \$4 million or less in total revenue



# 84<sup>th</sup> Legislative Session

## House Bills Affecting School Finance

### ❖ House Bill 1759

- Repeals current TEC Chapters 41 and 42
- Eliminates Cost of Education Index (CEI)
  - Controls \$2.5 billion to permit other changes
  - Reduces WADA
- Increases Basic Allotment from \$5,040 to \$5,888
- Increases Austin Yield from \$61.86 to \$72.94
- No formula weight changes in special populations, but increase in BA increases the allocations for special education, compensatory education, bilingual education, gifted/talented and career & technology education
- Transportation formula – Eliminated, but increased allotment (*\$125/ADA*) in Tier I
- High School Allotment – Eliminated
- 2-Year Hold Harmless for Districts losing funds under provisions of the bill
- Additional \$800 million contingent on passage of HB 1759
- CFISD impact - \$15 million compared to current law



# 84<sup>th</sup> Legislative Session

## House Bills Affecting School Finance

### ❖ House Bill 2204

- Existing Debt Allotment (EDA)
  - \$35 for each cent of tax effort less than, equal to 20 cents
  - \$60 for each cent of tax effort greater than 20 cents
  - \$946,400,000 Fiscal Note
  - CFISD Impact \$20-\$24 million; 5-6 cents



# 84<sup>th</sup> Legislative Session

## Transparency Bills

- ❖ Too Numerous To List
- ❖ Both Senate and House
- ❖ Most Contain Similar Requirements
  - Bond Election Order/Bond Ballot Language
  - Disclosure of Financial Information On Website
  - Disclosure Statements By Trustees