

By: Ogden

S.B. No. 1581

A BILL TO BE ENTITLED

AN ACT

relating to state fiscal matters related to public and higher education.

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

ARTICLE 1. REDUCTION OF EXPENDITURES AND IMPOSITION OF CHARGES

GENERALLY

SECTION 1.01. This article applies to any state agency, school, institution of higher education, or other entity that receives an appropriation under Article III of the General Appropriations Act.

SECTION 1.02. Notwithstanding any other statute of this state, each entity to which this article applies is authorized to reduce or recover expenditures by:

(1) consolidating any reports or publications the entity is required to make and filing or delivering any of those reports or publications exclusively by electronic means;

(2) extending the effective period of any license, permit, or registration the entity grants or administers;

(3) entering into a contract with another governmental entity or with a private vendor to carry out any of the entity's duties;

(4) adopting additional eligibility requirements for persons who receive benefits under any law the entity administers to ensure that those benefits are received by the most deserving

1 persons consistent with the purposes for which the benefits are  
2 provided;

3 (5) providing that any communication between the  
4 entity and another person and any document required to be delivered  
5 to or by the entity, including any application, notice, billing  
6 statement, receipt, or certificate, may be made or delivered by  
7 e-mail or through the Internet; and

8 (6) adopting and collecting fees or charges to cover  
9 any costs the entity incurs in performing its lawful functions.

10 ARTICLE 2. FISCAL MATTERS CONCERNING RETIRED TEACHERS

11 SECTION 2.01. Section 825.404(a), Government Code, is  
12 amended to read as follows:

13 (a) During each fiscal year, the state shall contribute to  
14 the retirement system an amount equal to at least six and not more  
15 than 10 percent of the aggregate annual compensation of all members  
16 of the retirement system during that fiscal year. [~~The amount of  
17 the state contribution made under this section may not be less than  
18 the amount contributed by members during that fiscal year in  
19 accordance with Section 825.402.~~]

20 SECTION 2.02. Section 1575.202(a), Insurance Code, is  
21 amended to read as follows:

22 (a) Each state fiscal year, the state shall contribute to  
23 the fund an amount equal to 0.5 [~~one~~] percent of the salary of each  
24 active employee.

25 SECTION 2.03. The changes in law made by this article apply  
26 beginning with the state fiscal year that begins September 1, 2011.

27 ARTICLE 3. FISCAL MATTERS CONCERNING STATE REVENUE FOR SCHOOL

DISTRICTS

SECTION 3.01. Section 42.2516, Education Code, is amended by amending Subsection (b) and adding Subsection (b-2) to read as follows:

(b) Notwithstanding any other provision of this title, but subject to the limit imposed by Subsection (b-2), a school district that imposes a maintenance and operations tax at a rate at least equal to the product of the state compression percentage multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year is entitled to at least the amount of state revenue necessary to provide the district with the sum of:

(1) as calculated under Subsection (e), the amount of state and local revenue per student in weighted average daily attendance for maintenance and operations that the district would have received during the 2009-2010 school year under Chapter 41 and this chapter, as those chapters existed on January 1, 2009, at a maintenance and operations tax rate equal to the product of the state compression percentage for that year multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year;

(2) an amount equal to the product of \$120 multiplied by the number of students in weighted average daily attendance in the district;

(3) an amount equal to the amount the district is required to pay into the tax increment fund for a reinvestment zone under Section 311.013(n), Tax Code, in the current tax year; and

(4) any amount to which the district is entitled under

1 Section 42.106.

2 (b-2) Notwithstanding any other provision of this section,  
3 the amount of state revenue to which a school district is entitled  
4 under Subsection (b) may not exceed the amount necessary to result  
5 in a total amount of state and local revenue per student in weighted  
6 average daily attendance of \$8,000.

7 ARTICLE 4. FISCAL MATTERS CONCERNING ADVANCED PLACEMENT

8 SECTION 4.01. Section 28.053(h), Education Code, is amended  
9 to read as follows:

10 (h) The commissioner may enter into agreements with the  
11 college board and the International Baccalaureate Organization to  
12 pay for all examinations taken by eligible public school students.  
13 An eligible student is a student ~~[one]~~ who:

14 (1) takes a college advanced placement or  
15 international baccalaureate course at a public school or who is  
16 recommended by the student's principal or teacher to take the test;  
17 and

18 (2) demonstrates financial need as determined in  
19 accordance with guidelines adopted by the board that are consistent  
20 with the definition of financial need adopted by the college board  
21 or the International Baccalaureate Organization.

22 ARTICLE 5. FISCAL MATTERS CONCERNING EARLY HIGH SCHOOL GRADUATION

23 SECTION 5.01. Subchapter K, Chapter 56, Education Code, is  
24 amended by adding Section 56.2012 to read as follows:

25 Sec. 56.2012. EXPIRATION OF SUBCHAPTER; ELIGIBILITY  
26 CLOSED. (a) This subchapter expires September 1, 2017.

27 (b) Notwithstanding Section 56.203, a person may not

1 receive an award under this subchapter if the person graduates from  
2 high school on or after September 1, 2011.

3 SECTION 5.02. Section 54.213(b), Education Code, is amended  
4 to read as follows:

5 (b) [~~Savings to the foundation school fund that occur as a~~  
6 ~~result of the Early High School Graduation Scholarship program~~  
7 ~~created in Subchapter K, Chapter 56, and that are not required for~~  
8 ~~the funding of state credits for tuition and mandatory fees under~~  
9 ~~Section 56.204 or school district credits under Section 56.2075~~  
10 ~~shall be used first to provide tuition exemptions under Section~~  
11 ~~54.212. Any of those savings remaining after providing tuition~~  
12 ~~exemptions under Section 54.212 shall be used to provide tuition~~  
13 ~~exemptions under Section 54.214.] The Texas Education Agency shall  
14 [also] accept and make available to provide tuition exemptions  
15 under Section 54.214 gifts, grants, and donations made to the  
16 agency for that purpose. The commissioner of education shall  
17 transfer those funds to the Texas Higher Education Coordinating  
18 Board to distribute to institutions of higher education that  
19 provide exemptions under that section. [~~Payment of funds under~~  
20 ~~this subsection shall be made in the manner provided by Section~~  
21 ~~56.207 for state credits under Subchapter K, Chapter 56.]~~~~

22 SECTION 5.03. Section 56.210, Education Code, is repealed.

23 ARTICLE 6. FISCAL MATTERS CONCERNING TUITION EXEMPTIONS

24 SECTION 6.01. Section 54.214(c), Education Code, is amended  
25 to read as follows:

26 (c) To be eligible for an exemption under this section, a  
27 person must:

1 (1) be a resident of this state;

2 (2) be a school employee serving in any capacity;

3 (3) for the initial term or semester for which the  
4 person receives an exemption under this section, have worked as an  
5 educational aide for at least one school year during the five years  
6 preceding that term or semester;

7 (4) establish financial need as determined by  
8 coordinating board rule;

9 (5) be enrolled at the institution of higher education  
10 granting the exemption in courses required for teacher  
11 certification in one or more subject areas determined by the Texas  
12 Education Agency to be experiencing a critical shortage of teachers  
13 at the public schools in this state [~~at the institution of higher~~  
14 ~~education granting the exemption~~];

15 (6) maintain an acceptable grade point average as  
16 determined by coordinating board rule; and

17 (7) comply with any other requirements adopted by the  
18 coordinating board under this section.

19 SECTION 6.02. The change in law made by this article applies  
20 beginning with tuition and fees charged for the 2011 fall semester.  
21 Tuition and fees charged for a term or semester before the 2011 fall  
22 semester are covered by the law in effect during the term or  
23 semester for which the tuition and fees are charged, and the former  
24 law is continued in effect for that purpose.

25 ARTICLE 7. FISCAL MATTERS CONCERNING DUAL HIGH SCHOOL AND JUNIOR  
26 COLLEGE CREDIT

27 SECTION 7.01. Section 130.008(c), Education Code, is

1 amended to read as follows:

2 (c) The contact hours attributable to the enrollment of a  
3 high school student in a course offered for joint high school and  
4 junior college credit under this section, excluding a course for  
5 which the student attending high school may receive course credit  
6 toward the physical education curriculum requirement under Section  
7 28.002(a)(2)(C), shall be included in the contact hours used to  
8 determine the junior college's proportionate share of the state  
9 money appropriated and distributed to public junior colleges under  
10 Sections 130.003 and 130.0031, even if the junior college waives  
11 all or part of the tuition or fees for the student under Subsection  
12 (b).

13 SECTION 7.02. This article applies beginning with funding  
14 for the 2011 fall semester.

15 ARTICLE 8. EFFECTIVE DATE

16 SECTION 8.01. This Act takes effect September 1, 2011.