



LEGISLATIVE BUDGET BOARD

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September 23, 2011

Susan Combs, Comptroller of Public
Accounts
P.O. Box 13528, Capitol Station
Austin, Texas 78711

Robert Scott, Commissioner of Education
Texas Education Agency
1701 N. Congress Avenue
Austin, Texas 78701

Ms. Combs and Mr. Scott:

The purpose of this letter is to clarify the legislative intent regarding the starting fiscal year for the deferral of the August Foundation School Program (FSP) payment to school districts.

Section 1.01 of Senate Bill 1 (SB1), 82nd Legislature, First Called Session, defers the August FSP payment into the following September, and the effective date of that law is September 28, 2011. However, in the appropriating bill for the FSP – Senate Bill 2 (SB2) 82nd Legislature, First Called Session – FSP appropriations in the 2012-13 biennium are clearly structured to defer the August payment beginning in Fiscal Year 2013. This is evident in Section 5(d), which makes an appropriation adjustment explicitly for the deferral of the “August 2013 Foundation School Payment,” an adjustment which is made to Fiscal Year 2013.

It is the opinion of this office that SB2, as a general appropriations act with immediate effect, would prevail over SB1 with regard to the starting fiscal year for the August payment deferral. As discussed above, the legislative intent also supports that view. Therefore, it is the expectation of the Legislative Budget Board that deferral of the August FSP payment will begin in Fiscal Year 2013.

Please let me know if you would like to discuss this issue further. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "JOHN O'BRIEN".

John O'Brien
Director