House Bill (HB) 3, was passed by the 86th Texas Legislature, 2019, and signed into law by Governor Abbott on June 11, 2019.

This letter is to inform you of HB 3 state funding implications for transportation.

Regular Transportation Program Allotment

Prior to HB 3, the regular transportation program allotment was calculated using a maximum effective rate per mile that was based on the lesser of the prior year program's cost per mile or the prior year's program linear density rate, which ranged between \$0.68 to \$1.43 per mile. HB 3 amended Section 48.151, Texas Education Code, to provide entitlement based on a rate

transportation allotment reporting remains on the same schedule for 2019-2020. Actual 2019-2020 transportation route services data is due to the Texas Education Agency (TEA) by August 1, 2020. Actual 2019-2020 transportation operations data is due to TEA by December 1, 2020. Actual 2019-2020 transportation allotments will be updated to the SOF report in August 2020 when near final and final settle-up are calculated.

Questions

If you have any questions related to this TAA, please email <u>HB3info@tea.texas.gov</u>. We will be compiling answers to frequently asked questions (FAQs) on the <u>https://tea.texas.gov/hb3</u> webpage.

Sincerely,

Leo Lopez, RTSBA

Associate Commissioner for School Finance & Chief School Finance Officer