

By: Bettencourt, et al.

S.B. No. 4

A BILL TO BE ENTITLED

AN ACT

relating to the maximum compressed tax rate of a school district.

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

SECTION 1. Section 48.2552(b), Education Code, is amended to read as follows:

(b) If a school district's maximum compressed rate as calculated under Section 48.2551(b) would be less than 80 [~~90~~] percent of another school district's maximum compressed rate, the district's maximum compressed rate is the value at which the district's maximum compressed rate would be equal to 80 [~~90~~] percent of the other district's maximum compressed rate.

SECTION 2. Subchapter F, Chapter 48, Education Code, is amended by adding Sections 48.2555 and 48.283 to read as follows:

Sec. 48.2555. MAXIMUM COMPRESSED TAX RATE FOR 2023-2024 SCHOOL YEAR. (a) Notwithstanding any other provision of this title or Chapter 26, Tax Code, for the 2023-2024 school year, the commissioner shall calculate the value of a school district's maximum compressed tax rate by determining the district's maximum compressed rate under Section 48.2551 or 48.2552(b), if applicable, and reducing the tax rate determined under the applicable section by the amount by which the commissioner may reduce each district's maximum compressed tax rate by an equal amount using money appropriated for the purpose of reducing each district's maximum compressed tax rate under this section.

1 (b) If a school district's maximum compressed tax rate as
2 calculated under Subsection (a) would be less than 80 percent of
3 another school district's maximum compressed tax rate under
4 Subsection (a), the district's maximum compressed tax rate is the
5 value at which the district's maximum compressed tax rate would be
6 equal to 80 percent of the other district's maximum compressed tax
7 rate.

8 (c) Notwithstanding any other provision of this title or
9 Chapter 26, Tax Code, for purposes of determining funding for
10 school districts for the 2023-2024 school year, a reference in any
11 of the following provisions of law to a school district's maximum
12 compressed tax rate or maximum compressed rate as determined under
13 Section 48.2551 means the maximum compressed tax rate determined
14 for the district under this section:

- 15 (1) Section 13.054(f);
- 16 (2) Section 45.003(d);
- 17 (3) Section 45.0032(a);
- 18 (4) Section 48.051(a);
- 19 (5) Sections 48.2553(a) and (e); and
- 20 (6) Section 26.08(n), Tax Code.

21 (d) For purposes of Section 30.003(f-1), a reference in that
22 section to Section 48.2551 includes this section.

23 (e) Notwithstanding any other provision of this title, for
24 purposes of determining a school district's maximum compressed tax
25 rate under Section 48.2551 for the 2024-2025 school year, the value
26 of the district's "PYMCR" is the maximum compressed tax rate
27 determined for the district under this section for the preceding

1 school year.

2 (f) This section expires September 1, 2025.

3 Sec. 48.283. ADDITIONAL STATE AID FOR CERTAIN DISTRICTS
4 IMPACTED BY COMPRESSION. A school district that received an
5 adjustment under Section 48.257(b) for the 2022-2023 school year is
6 entitled to additional state aid for each school year in an amount
7 equal to the amount of that adjustment for the 2022-2023 school year
8 less the difference, if the difference is greater than zero,
9 between:

10 (1) the amount to which the district is entitled under
11 this chapter for the current school year; and

12 (2) the amount to which the district would be entitled
13 under this chapter for the current school year if the district's
14 maximum compressed tax rate had not been reduced under Section
15 48.2555, as added by S.B. 4, Acts of the 88th Legislature, Regular
16 Session, 2023.

17 SECTION 3. This Act takes effect September 1, 2023.