

By: Howard

H.B. No. 2964

Substitute the following for H.B. No. 2964:

By: Hochberg

C.S.H.B. No. 2964

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the operation of municipal school districts and the  
3 levy of municipal school district taxes.

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

5 SECTION 1. Subchapter G, Chapter 11, is amended by adding  
6 Section 11.303 to read as follows:

7 Sec. 11.303. MUNICIPAL SCHOOL DISTRICTS. (a) Except as  
8 otherwise provided by this section, a school district operating  
9 under former Chapter 24 may continue to operate under that chapter  
10 as it existed on May 1, 1995, and under state law generally  
11 applicable to school districts that does not conflict with that  
12 chapter.

13 (b) Notwithstanding former Section 24.06(c), as it existed  
14 on May 1, 1995, after requisition by the board of trustees of the  
15 municipal school district, the governing body of the municipality  
16 shall approve and levy taxes for the district. The governing body  
17 of the municipality may adopt the tax rate requisitioned by the  
18 board of trustees or may adopt a different tax rate. If the  
19 governing body of the municipality adopts a tax rate different than  
20 the rate requisitioned by the board of trustees, the board of  
21 trustees shall conform the district's budget for the applicable  
22 fiscal year in accordance with revenue projections based on the  
23 rate adopted by the governing body.

24 (c) The board of trustees of a municipal school district and

1 the governing body of the municipality shall jointly hold any  
2 hearing required by law as a condition for the imposition of an ad  
3 valorem tax. After adopting an ordinance levying a tax for the  
4 municipal school district, the governing body of the municipality  
5 shall provide a certified copy of the ordinance to the district's  
6 board of trustees.

7 (d) This section may not be construed as authorizing the  
8 governing body of a municipality to levy a tax for the support of  
9 schools of a municipal school district without fully complying with  
10 all applicable provisions of the Tax Code.

11 SECTION 2. Section 11.301, Education Code, is amended to  
12 read as follows:

13 Sec. 11.301. APPLICATION OF FORMER LAW. (a) A school  
14 district or county system operating under former Chapter 17, 18,  
15 22, ~~[24,~~ 25, 26, 27, or 28 on May 1, 1995, may continue to operate  
16 under the applicable chapter as that chapter existed on that date  
17 and under state law generally applicable to school districts that  
18 does not conflict with that chapter.

19 (b) A school district operating under former Chapter 22 may  
20 incorporate and become an independent school district in the manner  
21 provided by former Subchapter F, Chapter 19, as that subchapter  
22 existed on May 1, 1995. ~~[A school district operating under former~~  
23 ~~Chapter 24 may be separated from municipal control and become an~~  
24 ~~independent school district in the manner provided by former~~  
25 ~~Subchapter E, Chapter 19, as that subchapter existed on May 1,~~  
26 ~~1995.]~~

27 SECTION 3. This Act takes effect September 1, 2003.