

By: Howard

H.B. No. 2964

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the maintaining of municipal school district status;
3 and the levy of municipal school district taxes.

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

5 SECTION 1. Section 11.301, Texas Education Code, is amended
6 to read as follows:

7 Sec. 11.301. Application of Former Law (a) A school
8 district or county system operating under former Chapter 17, 18,
9 22, ~~[24,~~ 25, 26, 27, or 28 on May 1, 1995, may continue to operate
10 under the applicable chapter as that chapter existed on that date
11 and under state law generally applicable to school districts that
12 does not conflict with that chapter.

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

21 (c) Municipal School Districts. Except as provided below, a
22 school district operating under former Chapter 24 may continue to
23 operate under that chapter, as it existed on May 1, 1995 and under
24 state law generally applicable to school districts that does not

1 conflict with that chapter. Notwithstanding the provisions of
2 Subsection (c) of Section 24.06, as it existed on May 1, 1995, taxes
3 for a municipal school district shall be approved and levied by the
4 governing body of the municipality, after requisition by the board
5 of trustees. The governing body of the municipality may adopt the
6 tax rate requisitioned by the board of trustees or may adopt a
7 different tax rate. If the governing body of the municipality
8 adopts a tax rate different than the rate requisitioned by the board
9 of trustees, the board of trustees shall conform its applicable
10 fiscal year budget(s) in accordance with revenue projections based
11 on the levied tax. All hearings required by law as conditions for
12 the imposition of a tax shall be held jointly before the board of
13 trustees and the governing body of the municipality. The governing
14 body of the municipality shall provide certified copies of all
15 ordinances levying such taxes to the board of trustees following
16 adoption thereof. Nothing herein shall be construed as authorizing
17 the governing body of a municipality to levy a tax for the support
18 of schools of a municipal school district without full compliance
19 with applicable provisions of the Tax Code.

20 SECTION 2. This Act takes effect September 1, 2003.