

1-1 By: Ogden S.J.R. No. 38  
1-2 (In the Senate - Filed March 11, 2005; March 21, 2005, read  
1-3 first time and referred to Committee on Finance; May 6, 2005,  
1-4 reported adversely, with favorable Committee Substitute by the  
1-5 following vote: Yeas 11, Nays 4; May 6, 2005, sent to printer.)

1-6 COMMITTEE SUBSTITUTE FOR S.J.R. No. 38 By: Ogden

1-7 SENATE JOINT RESOLUTION

1-8 proposing a constitutional amendment authorizing a uniform  
1-9 statewide property tax for public education, abolishing school  
1-10 district property taxes for maintenance purposes, and authorizing a  
1-11 limited school district property tax for educational enrichment if  
1-12 approved by the voters of the district.

1-13 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Section 1-e, Article VIII, Texas Constitution,  
1-15 is amended to read as follows:

1-16 Sec. 1-e. Except as provided by Section 3-a, Article VII, of  
1-17 this constitution, no [No] State ad valorem taxes shall be levied  
1-18 upon any property within this State.

1-19 SECTION 2. Article VII, Texas Constitution, is amended by  
1-20 adding Section 3-a to read as follows:

1-21 Sec. 3-a. (a) The legislature by general law may authorize  
1-22 the state to impose a uniform ad valorem tax for elementary and  
1-23 secondary public free school purposes on all taxable property at a  
1-24 rate not to exceed \$1.10 for each \$100 of taxable value.

1-25 (b) During each regular legislative session, the  
1-26 legislature by general law, including a provision in a general  
1-27 appropriations act, shall establish the rate of the uniform state  
1-28 ad valorem tax for the current tax year and for the following tax  
1-29 year. The tax rate must be the same for each of those tax years.  
1-30 For the two tax years for which the legislature establishes a tax  
1-31 rate, the tax rate may not exceed the rate that when applied to the  
1-32 taxable value of property subject to state ad valorem taxes for the  
1-33 first of the two tax years, less new property value as defined by  
1-34 general law, would levy for that tax year an amount of state ad  
1-35 valorem taxes that exceeds 108 percent of the amount of state ad  
1-36 valorem taxes levied for the tax year preceding the preceding tax  
1-37 year.

1-38 (c) Notwithstanding Section 23, Article VIII, of this  
1-39 constitution, the legislature may provide for the appraisal of  
1-40 property subject to the uniform state ad valorem tax, for the  
1-41 equalization of the taxable values of that property, and for the  
1-42 collection of the state ad valorem taxes imposed on that property.

1-43 (d) The uniform state ad valorem tax shall be assessed on  
1-44 the valuation of property subject to the tax as determined by the  
1-45 appraisal officials in the county in which the property is located.  
1-46 If an appraisal official uses generally accepted appraisal  
1-47 standards and practices to appraise property subject to the uniform  
1-48 state ad valorem tax and the valuation of the property subject to  
1-49 that tax conforms to or is equalized by the local appraisal review  
1-50 process to conform to the accepted standards and practices, the  
1-51 assessment of a state ad valorem tax on that valuation is not  
1-52 invalid. This subsection expires at the end of the 2006 ad valorem  
1-53 tax year.

1-54 (e) Notwithstanding Subsection (a) of this section, the  
1-55 legislature by general law may authorize the governing body of a  
1-56 school district to use revenue of the district, including proceeds  
1-57 from a uniform ad valorem tax imposed under Subsection (a), to  
1-58 provide relief from the uniform ad valorem tax imposed on residence  
1-59 homesteads in the school district.

1-60 (f) For the 2006 and 2007 tax years, the legislature by  
1-61 general law may establish the rate of the uniform state ad valorem  
1-62 tax at a rate not to exceed \$1.10 for each \$100 of taxable value.  
1-63 This subsection expires January 1, 2008.

2-1 SECTION 3. Section 3, Article VII, Texas Constitution, is  
 2-2 amended by amending Subsection (e) and adding Subsections (f)  
 2-3 through (i) to read as follows:

2-4 (e) The Legislature shall be authorized to pass laws for the  
 2-5 assessment and collection of taxes in all school districts and for  
 2-6 the management and control of the public school or schools of such  
 2-7 districts, whether such districts are composed of territory wholly  
 2-8 within a county or in parts of two or more counties.

2-9 (f) A school district, as provided by general law, may  
 2-10 impose an ad valorem tax on taxable property in the district for the  
 2-11 purpose of providing an enriched educational program. The rate of  
 2-12 the enrichment tax may not exceed 15 cents for each \$100 of taxable  
 2-13 value. A school district may not impose a tax under this subsection  
 2-14 unless the tax is approved by the qualified voters of the district  
 2-15 voting at an election to be held for that purpose. An election held  
 2-16 before January 1, 2006, to authorize an ad valorem tax for the  
 2-17 maintenance of the public schools of a school district does not  
 2-18 authorize the imposition of an enrichment tax under this  
 2-19 subsection.

2-20 (g) The ~~[, and the]~~ Legislature may authorize an additional  
 2-21 ad valorem tax to be levied and collected within all school  
 2-22 districts ~~[for the further maintenance of public free schools, and]~~  
 2-23 for the erection and equipment of school buildings therein;  
 2-24 provided that a majority of the qualified voters of the district  
 2-25 voting at an election to be held for that purpose, shall approve the  
 2-26 tax.

2-27 (h) The Legislature may pass laws for the creation of junior  
 2-28 college districts, the management and control of those districts,  
 2-29 and the imposition of ad valorem taxes in those districts. A junior  
 2-30 college district may not impose a tax under this subsection unless  
 2-31 the tax is approved by a majority of the qualified voters of the  
 2-32 district voting at an election held for that purpose. A junior  
 2-33 college district is not a school district for purposes of this  
 2-34 section.

2-35 (i) An ad valorem tax approved by the voters of a junior  
 2-36 college district under this section before November 8, 2005, is not  
 2-37 affected by the amendment of this section approved by the voters at  
 2-38 an election held on November 8, 2005, and the junior college  
 2-39 district is not required to hold a new election to authorize the  
 2-40 existing tax. This subsection expires January 1, 2006.

2-41 SECTION 4. Section 3-b, Article VII, Texas Constitution, is  
 2-42 amended to read as follows:

2-43 Sec. 3-b. No tax for the enrichment ~~[maintenance]~~ of public  
 2-44 free schools voted in any independent school district and no tax for  
 2-45 the maintenance of a junior college voted by a junior college  
 2-46 district, nor any bonds voted in any such district, but unissued,  
 2-47 shall be abrogated, cancelled, or invalidated by change of any kind  
 2-48 in the boundaries thereof. After any change in boundaries, the  
 2-49 governing body of any such district, without the necessity of an  
 2-50 additional election, shall have the power to assess, levy, and  
 2-51 collect ad valorem taxes on all taxable property within the  
 2-52 boundaries of the district as changed, for the purposes of the  
 2-53 enrichment ~~[maintenance]~~ of public free schools or the maintenance  
 2-54 of a junior college, as the case may be, and the payment of  
 2-55 principal of and interest on all bonded indebtedness outstanding  
 2-56 against, or attributable, adjusted, or allocated to, such district  
 2-57 or any territory therein, in the amount, at the rate, or not to  
 2-58 exceed the rate, and in the manner authorized in the district prior  
 2-59 to the change in its boundaries, and further in accordance with the  
 2-60 laws under which all such bonds, respectively, were voted; and such  
 2-61 governing body also shall have the power, without the necessity of  
 2-62 an additional election, to sell and deliver any unissued bonds  
 2-63 voted in the district prior to any such change in boundaries, and to  
 2-64 assess, levy, and collect ad valorem taxes on all taxable property  
 2-65 in the district as changed, for the payment of principal of and  
 2-66 interest on such bonds in the manner permitted by the laws under  
 2-67 which such bonds were voted. In those instances where the  
 2-68 boundaries of any such independent school district are changed by  
 2-69 the annexation of, or consolidation with, one or more whole school

3-1 districts, the taxes to be levied for the purposes hereinabove  
3-2 authorized may be in the amount or at not to exceed the rate  
3-3 theretofore voted in the district having at the time of such change  
3-4 the greatest scholastic population according to the latest  
3-5 scholastic census and only the unissued bonds of such district  
3-6 voted prior to such change, may be subsequently sold and delivered  
3-7 and any voted, but unissued, bonds of other school districts  
3-8 involved in such annexation or consolidation shall not thereafter  
3-9 be issued.

3-10 SECTION 5. Section 1-j, Article VIII, Texas Constitution,  
3-11 is amended by adding Subsections (d) and (e) to read as follows:

3-12 (d) Property described by Subsection (a) of this section is  
3-13 not exempt from the uniform state ad valorem tax imposed for  
3-14 elementary and secondary public free school purposes unless  
3-15 expressly exempted by a general law enacted after January 1, 2005.

3-16 (e) Notwithstanding Subsection (d) of this section,  
3-17 property described by Subsection (a) of this section that is held at  
3-18 a location at which property described by that subsection was  
3-19 exempt from taxation by a school district in the 2005 tax year is  
3-20 exempt from the uniform state ad valorem tax imposed for elementary  
3-21 and secondary public free school purposes.

3-22 SECTION 6. This proposed constitutional amendment shall be  
3-23 submitted to the voters at an election to be held November 8, 2005.  
3-24 The ballot shall be printed to permit voting for or against the  
3-25 proposition: "The constitutional amendment authorizing a uniform  
3-26 statewide property tax for public education, abolishing school  
3-27 district property taxes for maintenance purposes, and authorizing a  
3-28 limited school district property tax for educational enrichment if  
3-29 approved by the voters of the district."

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