

AN ACT

relating to making appropriations to the Texas Education Agency for the purpose of school district property tax rate reductions and providing for the transfer of general revenue into the property tax relief fund.

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

SECTION 1. (a) In addition to other amounts appropriated for the Foundation School Program for all or part of the state fiscal biennium ending August 31, 2009, the following amounts are appropriated to the Texas Education Agency under the Foundation School Program for the purpose of funding school district property tax rate reductions in accordance with Section 42.2516, Education Code:

(1) for the state fiscal year ending August 31, 2008:

(A) all amounts in the property tax relief fund (an estimated amount of \$4,231,466,000) are appropriated for this purpose; and

(B) if the amounts available from the property tax relief fund for that fiscal year are less than \$6,956,400,000, the additional amount necessary for the total appropriation under this subdivision to equal \$6,956,400,000 (an estimated amount of \$2,724,934,000) is appropriated from the foundation school fund for this purpose; and

(2) for the state fiscal year ending August 31, 2009:

1 (A) all amounts in the property tax relief fund
2 (an estimated amount of \$3,846,492,000) are appropriated for this
3 purpose; and

4 (B) if the amounts available from the property
5 tax relief fund for that fiscal year are less than \$7,234,700,000,
6 the additional amount necessary for the total appropriation under
7 this subdivision to equal \$7,234,700,000 (an estimated amount of
8 \$3,388,208,000) is appropriated from the foundation school fund for
9 this purpose.

10 (b) In addition to the amounts appropriated under
11 Subsection (a)(2) of this section, any unexpended balance of the
12 amount appropriated for the state fiscal year ending August 31,
13 2008, under Subsection (a)(1) of this section is appropriated to
14 the Texas Education Agency for the purpose described by Subsection
15 (a) of this section for the state fiscal year ending August 31,
16 2009.

17 (c) In the event there are insufficient amounts in the
18 property tax relief fund and the foundation school fund to fund the
19 entire appropriation under Subsection (a)(1) of this section for
20 the state fiscal year ending August 31, 2008, the commissioner of
21 education may, with the prior approval of the governor and the
22 Legislative Budget Board, transfer amounts appropriated under
23 Subsection (a)(2) of this section for the state fiscal year ending
24 August 31, 2009, in an amount not to exceed the amount necessary to
25 cover the shortfall, and spend the transferred amounts for the
26 purpose described by Subsection (a) of this section during the
27 state fiscal year ending August 31, 2008. The comptroller shall:

1 (1) transfer money from the general revenue fund or
2 other available sources into the foundation school fund as
3 necessary to accomplish an approved transfer of appropriations
4 between fiscal years under this subsection; and

5 (2) reduce the amount that may be appropriated under
6 Subsection (a)(2) of this section from the foundation school fund
7 accordingly.

8 SECTION 2. (a) On August 31, 2008, the comptroller of
9 public accounts shall transfer into the property tax relief fund an
10 amount of unappropriated general revenue available for
11 certification equal to \$2 billion, except that:

12 (1) if the amount of unappropriated general revenue
13 available for certification in the state treasury on August 31,
14 2008, is greater than \$2 billion, the comptroller shall transfer
15 into the property tax relief fund on that date an amount of general
16 revenue equal to the lesser of \$3 billion or the amount of
17 unappropriated general revenue available for certification in the
18 state treasury on that date; and

19 (2) if the amount of unappropriated general revenue
20 available for certification in the state treasury on August 31,
21 2008, is less than \$2 billion, the comptroller shall transfer into
22 the property tax relief fund on that date all unappropriated
23 general revenue available for certification in the state treasury
24 on that date.

25 (b) Notwithstanding Section 1 of this Act, money
26 transferred under this section is not appropriated by this Act and
27 may not be appropriated for expenditure during the state fiscal

1 biennium ending August 31, 2009.

2 SECTION 3. This Act takes effect September 1, 2007.

President of the Senate

Speaker of the House

I certify that H.B. No. 2 was passed by the House on February 20, 2007, by the following vote: Yeas 138, Nays 8, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2 on May 24, 2007, by the following vote: Yeas 86, Nays 53, 1 present, not voting; passed subject to the provisions of Article III, Section 49a, of the Constitution of the State of Texas.

Chief Clerk of the House

I certify that H.B. No. 2 was passed by the Senate, with amendments, on May 22, 2007, by the following vote: Yeas 26, Nays 5; passed subject to the provisions of Article III, Section 49a, of the Constitution of the State of Texas.

Secretary of the Senate

H.B. No. 2

I certify that the amounts appropriated in the herein H.B. No. 2, Regular Session of the 80th Legislature, are within amounts estimated to be available in the affected fund.

Certified _____

Comptroller of Public Accounts

APPROVED: _____

Date

Governor