

Amend **CSSB 1** (house committee report) by adding the following appropriately numbered SECTION to ARTICLE 56 of the bill and renumbering subsequent SECTIONS of the article accordingly:

SECTION 56.\_\_\_\_. Subchapter A, Chapter 45, Education Code, is amended by adding Section 45.0061 to read as follows:

Sec. 45.0061. ADDITIONAL AUTHORITY FOR MAINTENANCE TAX REQUIRED FOR JUDGMENT ORDERING AD VALOREM TAX REFUND; BONDS. (a) This section applies only to a school district that:

(1) has an average daily attendance of less than 10,000; and

(2) is located in whole or part in a municipality with a population of less than 75,000 that is located in a county with a population of 200,000 or more bordering the State of Louisiana.

(b) Notwithstanding Section 45.003, a school district may levy, assess, and collect maintenance taxes at a rate that exceeds the rate specified in Section 45.003(d) if:

(1) additional ad valorem taxes are necessary to pay a debt of the district that:

(A) resulted from the rendition of a judgment against the district before December 1, 2011;

(B) is greater than \$5 million;

(C) decreases a property owner's ad valorem tax liability; and

(D) requires the district to refund to the property owner the difference between the amount of taxes paid by the property owner and the amount of taxes for which the property owner is liable; and

(2) the additional taxes are approved by the voters of the district at an election held for that purpose.

(c) Except as provided by Subsection (e), any additional maintenance taxes that the district collects under this section may be used only to pay the district's debt under Subsection (b)(1).

(d) Except as provided by Subsection (e), the authority of a school district to levy the additional ad valorem taxes under this section expires when the judgment against the district is paid.

(e) The governing body of a school district shall pay the district's debt under Subsection (b)(1) in a lump sum. To satisfy

the district's debt under Subsection (b)(1), the governing body may levy and collect additional maintenance taxes as provided by Subsection (b) and may issue bonds. If bonds are issued:

(1) the district may use any additional maintenance taxes collected by the district under this section to pay debt service on the bonds; and

(2) the authority of the district to levy the additional ad valorem taxes expires when the bonds are paid in full or the judgment is paid, whichever occurs later.

(f) The governing body of a school district that adopts a tax rate that exceeds the rate specified in Section 45.003(d) may set the amount of the exemption from taxation authorized by Section 11.13(n), Tax Code, at any time before the date the governing body adopts the district's tax rate for the tax year in which the election approving the additional taxes is held.

(g) The authority to issue bonds granted by this section expires June 1, 2013.