

By: Eissler

H.B. No. 400

A BILL TO BE ENTITLED

1 AN ACT
2 relating to flexibility for public schools to administer primary
3 and secondary education efficiently.

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

5 SECTION 1. Section 11.0581, Education Code, is amended by
6 amending Subsections (b) and (c) and adding Subsection (e) to read
7 as follows:

8 (b) Elections held on the same date as provided by
9 Subsection (a) shall be held as a joint election under Chapter 271,
10 Election Code, except as otherwise provided by this section.

11 (c) The voters of a joint election under this section shall
12 be served by:

13 (1) common polling places consistent with Section
14 271.003(b), Election Code; or

15 (2) if the election is held on the November uniform
16 election date, polling places designated under Section 43.004,
17 Election Code.

18 (e) The joint election agreement allocating expenses as
19 provided by Section 271.004, Election Code, or a contract for
20 election services under Section 31.092, Election Code, must provide
21 that a school district is responsible only for the proportion of
22 election expenses that corresponds to the proportion that the
23 number of registered voters in the school district bears to the
24 total number of registered voters in all political subdivisions

1 participating in the joint election.

2 SECTION 2. Subchapter D, Chapter 11, Education Code, is
3 amended by adding Section 11.179 to read as follows:

4 Sec. 11.179. UNIFORM NOTICE FOR CERTAIN BOARD HEARINGS AND
5 MEETINGS. (a) The board of trustees of a school district shall
6 provide notice of a hearing under Sections 39.083 and 39.306 and a
7 meeting under Section 44.004 by:

8 (1) sending the notice through e-mail to media serving
9 the district;

10 (2) prominently posting the entire notice, in addition
11 to any required documents or summaries, on the district's Internet
12 website;

13 (3) making the notice, in addition to any required
14 documents or summaries, available for public inspection at the
15 district's central administrative office; and

16 (4) making the notice, in addition to any required
17 documents or summaries, available for public inspection at each
18 campus in the district.

19 (b) In addition to providing notice as required by
20 Subsection (a), the board may also provide notice as permitted by
21 Section 39.083, 39.306, or 44.004, as applicable.

22 SECTION 3. Sections 12.133(b), (b-1), (c), and (d-1),
23 Education Code, are amended to read as follows:

24 (b) Each school year, using state funds received by the
25 charter holder for that purpose under Subsection (d), a charter
26 holder that participated in the program under Chapter 1579,
27 Insurance Code, for the 2005-2006 school year shall provide

1 employees of the charter holder, other than administrators,
2 compensation in the form of annual salaries, incentives, or other
3 compensation determined appropriate by the charter holder that
4 results in an average compensation increase for classroom teachers,
5 full-time librarians, full-time counselors, and full-time school
6 nurses who are employed by the charter holder [~~and who would be~~
7 ~~entitled to a minimum salary under Section 21.402 if employed by a~~
8 ~~school district,~~] in an amount at least equal to \$2,500.

9 (b-1) Using state funds received by the charter holder for
10 that purpose under Subsection (d-1), a charter holder that
11 participated in the program under Chapter 1579, Insurance Code, for
12 the 2005-2006 school year shall provide employees of the charter
13 holder, other than administrators, compensation in the form of
14 annual salaries, incentives, or other compensation determined
15 appropriate by the charter holder that results in average
16 compensation increases as follows:

17 (1) for full-time employees other than full-time
18 classroom teachers, full-time librarians, full-time counselors,
19 and full-time nurses [~~employees who would be entitled to a minimum~~
20 ~~salary under Section 21.402 if employed by a school district], an
21 average increase at least equal to \$500; and~~

22 (2) for part-time employees, an average increase at
23 least equal to \$250.

24 (c) Each school year, using state funds received by the
25 charter holder for that purpose under Subsection (e), a charter
26 holder that did not participate in the program under Chapter 1579,
27 Insurance Code, for the 2005-2006 school year shall provide

1 employees of the charter holder, other than administrators,
2 compensation in the form of annual salaries, incentives, or other
3 compensation determined appropriate by the charter holder that
4 results in an average compensation increase for classroom teachers,
5 full-time librarians, full-time counselors, and full-time school
6 nurses who are employed by the charter holder [~~and who would be~~
7 ~~entitled to a minimum salary under Section 21.402 if employed by a~~
8 ~~school district,~~] in an amount at least equal to \$2,000.

9 (d-1) In addition to any amounts to which a charter holder
10 is entitled under this chapter, a charter holder that participated
11 in the program under Chapter 1579, Insurance Code, for the
12 2005-2006 school year is entitled to state aid in an amount, as
13 determined by the commissioner, equal to the sum of:

14 (1) the product of \$500 multiplied by the number of
15 full-time employees other than full-time classroom teachers,
16 full-time librarians, full-time counselors, and full-time nurses
17 [~~employees who would be entitled to a minimum salary under Section~~
18 ~~21.402 if employed by a school district~~]; and

19 (2) the product of \$250 multiplied by the number of
20 part-time employees.

21 SECTION 4. Section 19.007(f), Education Code, is amended to
22 read as follows:

23 (f) In addition to other amounts received by the district
24 under this section, the district is entitled to state aid in an
25 amount equal to the product of \$2,000 multiplied by the number of
26 classroom teachers, full-time librarians, full-time counselors
27 certified under Subchapter B, Chapter 21, and full-time school

1 nurses who are employed by the district [~~and who would be entitled~~
2 ~~to a minimum salary under Section 21.402 if employed by a school~~
3 ~~district operating under Chapter 11~~].

4 SECTION 5. Section 19.009(d-1), Education Code, is amended
5 to read as follows:

6 (d-1) Each school year, the district shall pay an amount at
7 least equal to \$2,000 to each classroom teacher, full-time
8 librarian, full-time counselor certified under Subchapter B,
9 Chapter 21, and full-time school nurse who is employed by the
10 district [~~and who would be entitled to a minimum salary under~~
11 ~~Section 21.402 if employed by a school district operating under~~
12 ~~Chapter 11~~]. A payment under this section is in addition to wages
13 the district would otherwise pay the employee during the school
14 year.

15 SECTION 6. Section 21.0031(b), Education Code, is amended
16 to read as follows:

17 (b) After an employee receives notice that the employee's
18 contract is void under Subsection (a), +

19 [~~(1)~~] a school district may:

20 (1) [~~(A)~~] terminate the employee;

21 (2) [~~(B)~~] suspend the employee with or without pay; or

22 (3) [~~(C)~~] retain the employee for the remainder of the

23 school year on an at-will employment basis in a position other than
24 classroom teacher at the employee's existing rate of pay or at a
25 reduced rate[~~, and~~

26 [~~(2) the employee is not entitled to the minimum~~
27 ~~salary prescribed by Section 21.402~~].

1 SECTION 7. Section 21.103(a), Education Code, is amended to
2 read as follows:

3 (a) The board of trustees of a school district may terminate
4 the employment of a teacher employed under a probationary contract
5 at the end of the contract period if in the board's judgment the
6 best interests of the district will be served by terminating the
7 employment. The board of trustees must give notice of its decision
8 to terminate the employment to the teacher not later than [~~the 45th~~
9 ~~day before~~] the last day of instruction required under the
10 contract. The notice may be delivered personally to the teacher or
11 mailed by regular mail or prepaid certified mail or by an express
12 delivery service to the teacher's address of record with the
13 district. Notice that is mailed in accordance with this subsection
14 is considered given at the time of mailing. The board's decision is
15 final and may not be appealed.

16 SECTION 8. Section 21.157, Education Code, is amended to
17 read as follows:

18 Sec. 21.157. NECESSARY REDUCTION OF PERSONNEL. A teacher
19 employed under a continuing contract may be released at the end of a
20 school year and the teacher's employment with the school district
21 terminated at that time because of a necessary reduction of
22 personnel by the school district[~~, with those reductions made in~~
23 ~~the reverse order of seniority in the specific teaching fields~~].

24 SECTION 9. Section 21.206(a), Education Code, is amended to
25 read as follows:

26 (a) Not later than the [~~45th day before the~~] last day of
27 instruction in a school year, the board of trustees shall notify in

1 writing each teacher whose contract is about to expire whether the
2 board proposes to renew or not renew the contract. The notice may
3 be delivered personally to the teacher or mailed by regular mail or
4 prepaid certified mail or by an express delivery service to the
5 teacher's address of record with the district. Notice that is
6 mailed in accordance with this subsection is considered given at
7 the time of mailing.

8 SECTION 10. Section 21.211, Education Code, is amended by
9 adding Subsection (a-1) to read as follows:

10 (a-1) A teacher whose term contract is terminated under
11 Subsection (a)(2) before the end of the contract period may request
12 a hearing before the board of trustees or the board's designee as
13 provided by Section 21.207 for a hearing on a proposed nonrenewal of
14 a contract. A teacher who is aggrieved by a decision of the board or
15 the board's designee at a hearing under this subsection may appeal
16 to the commissioner for review of the decision in accordance with
17 Subchapter G. The commissioner may not substitute the
18 commissioner's judgment for that of the board of trustees or the
19 board's designee unless the decision of the board or the board's
20 designee was not supported by substantial evidence based on the
21 record made at the hearing before the board or the board's designee.

22 SECTION 11. Subchapter I, Chapter 21, Education Code, is
23 amended by adding Section 21.4032 to read as follows:

24 Sec. 21.4032. COMPENSATION PLAN FOR CLASSROOM TEACHERS.

25 (a) A school district shall adopt a plan for determining the
26 compensation of the district's classroom teachers.

27 (b) In developing a plan under Subsection (a), a school

1 district shall consider including provisions under which the
2 district will pay a bonus to each classroom teacher who:

3 (1) demonstrates effectiveness in improving student
4 achievement;

5 (2) serves as a mentor for other classroom teachers;

6 (3) assumes responsibilities in addition to
7 performing classroom teaching duties; or

8 (4) as determined by the agency:

9 (A) teaches in a subject area or a position
10 experiencing a critical shortage of teachers, if the classroom
11 teacher is qualified to teach in that subject area or position;

12 (B) teaches at a district school that is among
13 the schools in this state that have a shortage of teachers; or

14 (C) teaches at a district school that is among
15 the schools in this state that have the greatest difficulty hiring
16 or retaining classroom teachers.

17 (c) A plan adopted under Subsection (a) must:

18 (1) be designed with input from the school district's
19 classroom teachers;

20 (2) base classroom teacher compensation on annual
21 evaluations focused on student achievement; and

22 (3) be designed to recruit, reward, and retain
23 effective teachers.

24 (d) A plan adopted under Subsection (a) may provide for
25 paying a bonus to district employees who meet campus goals.

26 (e) Not later than January 1, 2012, the agency shall develop
27 a model alternative compensation plan that a school district may

1 use in adopting a plan under Subsection (a).

2 SECTION 12. Section 21.4551(e), Education Code, is amended
3 to read as follows:

4 (e) From funds appropriated for that purpose, a teacher who
5 attends a reading academy is entitled to receive a stipend in the
6 amount determined by the commissioner. [~~A stipend received under
7 this subsection is not considered in determining whether a district
8 is paying the teacher the minimum monthly salary under Section
9 21.402.~~]

10 SECTION 13. Section 22.107(a), Education Code, is amended
11 to read as follows:

12 (a) A school district shall pay each full-time district
13 employee, other than an administrator or a classroom teacher,
14 full-time librarian, full-time counselor certified under
15 Subchapter B, Chapter 21, or full-time school nurse [~~an employee
16 subject to the minimum salary schedule under Section 21.402~~], an
17 amount at least equal to \$500.

18 SECTION 14. Sections 25.112(a) and (d), Education Code, are
19 amended to read as follows:

20 (a) Except as otherwise authorized by this section, a school
21 district may not enroll more than a district-wide average of 22
22 students in [~~a~~] kindergarten, first, second, third, and [~~or~~] fourth
23 grade classes or more than 25 students in a class at one of those
24 grade levels. Those limitations do [~~class. That limitation does~~]
25 not apply during:

26 (1) any 12-week period of the school year selected by
27 the district, in the case of a district whose average daily

1 attendance is adjusted under Section 42.005(c); or

2 (2) the last 12 weeks of any school year in the case of
3 any other district.

4 (d) On application of a school district, the commissioner
5 may except the district from a the limit in Subsection (a) if the
6 commissioner finds the limit works an undue hardship on the
7 district. An exception expires at the end of the school year for
8 which it is granted.

9 SECTION 15. Section 25.113(a), Education Code, is amended
10 to read as follows:

11 (a) A campus or district that is granted an exception under
12 Section 25.112(d) from class size limits shall provide written
13 notice of the exception to the parent of or person standing in
14 parental relation to each student affected by the exception. The
15 notice must be included in a regular mailing or other communication
16 from the campus or district, such as information sent home with
17 students. The notice must be in conspicuous bold or underlined
18 print and, as applicable:

19 (1) specify the class for which an exception from the
20 limit imposed by Section 25.112(a) was granted;

21 (2) state the number of children in the class for which
22 the exception was granted;

23 (3) state that an exception from the district-wide
24 average limit imposed by Section 25.112(a) was granted; and

25 (4) state the district-wide average number of children
26 in a class for which the exception was granted ~~and~~

27 ~~[(3) be included in a regular mailing or other~~

1 ~~communication from the campus or district, such as information sent~~
2 ~~home with students].~~

3 SECTION 16. Section 28.0211(c), Education Code, is amended
4 to read as follows:

5 (c) Each time a student fails to perform satisfactorily on
6 an assessment instrument specified under Subsection (a), the school
7 district in which the student attends school shall provide to the
8 student accelerated instruction in the applicable subject area,
9 including reading instruction for a student who fails to perform
10 satisfactorily on a reading assessment instrument. After a student
11 fails to perform satisfactorily on an assessment instrument a
12 second time, a grade placement committee shall be established to
13 prescribe the accelerated instruction the district shall provide to
14 the student before the student is administered the assessment
15 instrument the third time. The grade placement committee shall be
16 composed of the principal or the principal's designee, the
17 student's parent or guardian, and the teacher of the subject of an
18 assessment instrument on which the student failed to perform
19 satisfactorily. The district shall notify the parent or guardian
20 of the time and place for convening the grade placement committee
21 and the purpose of the committee. [~~An accelerated instruction~~
22 ~~group administered by a school district under this section may not~~
23 ~~have a ratio of more than 10 students for each teacher.]~~

24 SECTION 17. Section 30.022(f), Education Code, is amended
25 to read as follows:

26 (f) Before the beginning of each fiscal year, the board
27 shall adopt a calendar for the school's operation that provides for

1 at least[+
2 ~~[(1)]~~ the minimum number of days of instruction
3 required by Section 25.081[+~~and~~
4 ~~[(2)] the minimum number of days of service required by~~
5 ~~Section 21.401]~~.

6 SECTION 18. Section 30.052(f), Education Code, is amended
7 to read as follows:

8 (f) Before the beginning of each fiscal year, the board
9 shall adopt a calendar for the school's operation that provides for
10 at least[+
11 ~~[(1)]~~ the minimum number of days of instruction
12 required by Section 25.081[+~~and~~
13 ~~[(2)] the minimum number of days of service required by~~
14 ~~Section 21.401]~~.

15 SECTION 19. Section 38.101(a), Education Code, is amended
16 to read as follows:

17 (a) Except as provided by Subsection (b), a school district
18 annually shall assess the physical fitness of students enrolled in
19 grade three or higher in a course that satisfies the curriculum
20 requirements for physical education under Section 28.002(a)(2)(C)
21 ~~[grades 3 through 12]~~.

22 SECTION 20. Section 39.083(d), Education Code, is amended
23 to read as follows:

24 (d) The board of trustees of each school district shall hold
25 a public hearing on the report. The board shall give notice of the
26 hearing to owners of real property in the district and to parents of
27 district students. In addition to other notice required by law,

1 notice of the hearing:

2 (1) may [~~must~~] be provided[+
3 [~~(1)~~] to a newspaper of general circulation in the
4 district; and

5 (2) must be provided as prescribed by Section
6 11.179(a) [~~through electronic mail to media serving the district~~].

7 SECTION 21. Section 39.306(c), Education Code, is amended
8 to read as follows:

9 (c) The board of trustees shall hold a hearing for public
10 discussion of the report. The board of trustees shall give notice
11 of the hearing to property owners in the district and parents of and
12 other persons standing in parental relation to a district student.
13 The notification may [~~must~~] include notice to a newspaper of
14 general circulation in the district and must include notice as
15 prescribed by Section 11.179(a) [~~to electronic media serving the~~
16 ~~district~~]. After the hearing the report shall be widely
17 disseminated within the district in a manner to be determined under
18 rules adopted by the commissioner.

19 SECTION 22. Section 42.2513(a), Education Code, is amended
20 to read as follows:

21 (a) A school district, including a school district that is
22 otherwise ineligible for state aid under this chapter, is entitled
23 to state aid in an amount equal to the sum of:

24 (1) the product of \$500 multiplied by the number of
25 full-time district employees, other than administrators or
26 classroom teachers, full-time librarians, full-time counselors
27 certified under Subchapter B, Chapter 21, or full-time school

1 nurses [~~employees subject to the minimum salary schedule under~~
2 ~~Section 21.402~~]; and

3 (2) the product of \$250 multiplied by the number of
4 part-time district employees, other than administrators.

5 SECTION 23. Sections 44.004(b), (c), (i), and (j),
6 Education Code, are amended to read as follows:

7 (b) The president shall provide for [~~the publication of~~]
8 notice of the budget and proposed tax rate meeting as prescribed by
9 Section 11.179(a) and may provide for publication of the notice in a
10 daily, weekly, or biweekly newspaper published in the district. If
11 no daily, weekly, or biweekly newspaper is published in the
12 district, the president may [~~shall~~] provide for the publication of
13 notice in at least one newspaper of general circulation in the
14 county in which the district's central administrative office is
15 located. Notice under this subsection shall be provided [~~published~~]
16 not earlier than the 30th day or later than the 10th day before the
17 date of the meeting [~~hearing~~].

18 (c) A [~~The~~] notice of public meeting to discuss and adopt
19 the budget and the proposed tax rate published in a newspaper under
20 Subsection (b) may not be smaller than one-quarter page of a
21 standard-size or a tabloid-size newspaper, and the headline on the
22 notice must be in 18-point or larger type. Subject to Subsection
23 (d), [~~the~~] notice required under this section must:

24 (1) contain a statement in the following form:

25 "NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

26 "The (name of school district) will hold a public meeting at
27 (time, date, year) in (name of room, building, physical location,

1 city, state). The purpose of this meeting is to discuss the school
2 district's budget that will determine the tax rate that will be
3 adopted. Public participation in the discussion is invited." The
4 statement of the purpose of the meeting must be in bold type. In
5 reduced type, the notice must state: "The tax rate that is
6 ultimately adopted at this meeting or at a separate meeting at a
7 later date may not exceed the proposed rate shown below unless the
8 district provides [~~publishes a~~] revised notice containing the same
9 information and comparisons set out below and holds another public
10 meeting to discuss the revised notice.";

11 (2) contain a section entitled "Comparison of Proposed
12 Budget with Last Year's Budget," which must show the difference,
13 expressed as a percent increase or decrease, as applicable, in the
14 amounts budgeted for the preceding fiscal year and the amount
15 budgeted for the fiscal year that begins in the current tax year for
16 each of the following:

- 17 (A) maintenance and operations;
18 (B) debt service; and
19 (C) total expenditures;

20 (3) contain a section entitled "Total Appraised Value
21 and Total Taxable Value," which must show the total appraised value
22 and the total taxable value of all property and the total appraised
23 value and the total taxable value of new property taxable by the
24 district in the preceding tax year and the current tax year as
25 calculated under Section 26.04, Tax Code;

26 (4) contain a statement of the total amount of the
27 outstanding and unpaid bonded indebtedness of the school district;

1 (5) contain a section entitled "Comparison of Proposed
2 Rates with Last Year's Rates," which must:

3 (A) show in rows the tax rates described by
4 Subparagraphs (i)-(iii), expressed as amounts per \$100 valuation of
5 property, for columns entitled "Maintenance & Operations,"
6 "Interest & Sinking Fund," and "Total," which is the sum of
7 "Maintenance & Operations" and "Interest & Sinking Fund":

8 (i) the school district's "Last Year's
9 Rate";

10 (ii) the "Rate to Maintain Same Level of
11 Maintenance & Operations Revenue & Pay Debt Service," which:

12 (a) in the case of "Maintenance &
13 Operations," is the tax rate that, when applied to the current
14 taxable value for the district, as certified by the chief appraiser
15 under Section 26.01, Tax Code, and as adjusted to reflect changes
16 made by the chief appraiser as of the time the notice is prepared,
17 would impose taxes in an amount that, when added to state funds to
18 be distributed to the district under Chapter 42, would provide the
19 same amount of maintenance and operations taxes and state funds
20 distributed under Chapter 42 per student in average daily
21 attendance for the applicable school year that was available to the
22 district in the preceding school year; and

23 (b) in the case of "Interest & Sinking
24 Fund," is the tax rate that, when applied to the current taxable
25 value for the district, as certified by the chief appraiser under
26 Section 26.01, Tax Code, and as adjusted to reflect changes made by
27 the chief appraiser as of the time the notice is prepared, and when

1 multiplied by the district's anticipated collection rate, would
2 impose taxes in an amount that, when added to state funds to be
3 distributed to the district under Chapter 46 and any excess taxes
4 collected to service the district's debt during the preceding tax
5 year but not used for that purpose during that year, would provide
6 the amount required to service the district's debt; and

7 (iii) the "Proposed Rate";

8 (B) contain fourth and fifth columns aligned with
9 the columns required by Paragraph (A) that show, for each row
10 required by Paragraph (A):

11 (i) the "Local Revenue per Student," which
12 is computed by multiplying the district's total taxable value of
13 property, as certified by the chief appraiser for the applicable
14 school year under Section 26.01, Tax Code, and as adjusted to
15 reflect changes made by the chief appraiser as of the time the
16 notice is prepared, by the total tax rate, and dividing the product
17 by the number of students in average daily attendance in the
18 district for the applicable school year; and

19 (ii) the "State Revenue per Student," which
20 is computed by determining the amount of state aid received or to be
21 received by the district under Chapters 42, 43, and 46 and dividing
22 that amount by the number of students in average daily attendance in
23 the district for the applicable school year; and

24 (C) contain an asterisk after each calculation
25 for "Interest & Sinking Fund" and a footnote to the section that, in
26 reduced type, states "The Interest & Sinking Fund tax revenue is
27 used to pay for bonded indebtedness on construction, equipment, or

1 both. The bonds, and the tax rate necessary to pay those bonds,
2 were approved by the voters of this district.";

3 (6) contain a section entitled "Comparison of Proposed
4 Levy with Last Year's Levy on Average Residence," which must:

5 (A) show in rows the information described by
6 Subparagraphs (i)-(iv), rounded to the nearest dollar, for columns
7 entitled "Last Year" and "This Year":

8 (i) "Average Market Value of Residences,"
9 determined using the same group of residences for each year;

10 (ii) "Average Taxable Value of Residences,"
11 determined after taking into account the limitation on the
12 appraised value of residences under Section 23.23, Tax Code, and
13 after subtracting all homestead exemptions applicable in each year,
14 other than exemptions available only to disabled persons or persons
15 65 years of age or older or their surviving spouses, and using the
16 same group of residences for each year;

17 (iii) "Last Year's Rate Versus Proposed
18 Rate per \$100 Value"; and

19 (iv) "Taxes Due on Average Residence,"
20 determined using the same group of residences for each year; and

21 (B) contain the following information: "Increase
22 (Decrease) in Taxes" expressed in dollars and cents, which is
23 computed by subtracting the "Taxes Due on Average Residence" for
24 the preceding tax year from the "Taxes Due on Average Residence" for
25 the current tax year;

26 (7) contain the following statement in bold print:
27 "Under state law, the dollar amount of school taxes imposed on the

1 residence of a person 65 years of age or older or of the surviving
2 spouse of such a person, if the surviving spouse was 55 years of age
3 or older when the person died, may not be increased above the amount
4 paid in the first year after the person turned 65, regardless of
5 changes in tax rate or property value.";

6 (8) contain the following statement in bold print:
7 "Notice of Rollback Rate: The highest tax rate the district can
8 adopt before requiring voter approval at an election is (the school
9 district rollback rate determined under Section 26.08, Tax Code).
10 This election will be automatically held if the district adopts a
11 rate in excess of the rollback rate of (the school district rollback
12 rate)."; and

13 (9) contain a section entitled "Fund Balances," which
14 must include the estimated amount of interest and sinking fund
15 balances and the estimated amount of maintenance and operation or
16 general fund balances remaining at the end of the current fiscal
17 year that are not encumbered with or by corresponding debt
18 obligation, less estimated funds necessary for the operation of the
19 district before the receipt of the first payment under Chapter 42 in
20 the succeeding school year.

21 (i) A school district that uses a certified estimate, as
22 authorized by Subsection (h), may adopt a budget at the public
23 meeting designated in the notice prepared using the estimate, but
24 the district may not adopt a tax rate before the district receives
25 the certified appraisal roll for the district required by Section
26 26.01(a), Tax Code. After receipt of the certified appraisal roll,
27 the district must provide [~~publish a~~] revised notice and hold

1 another public meeting before the district may adopt a tax rate that
2 exceeds:

3 (1) the rate proposed in the notice prepared using the
4 estimate; or

5 (2) the district's rollback rate determined under
6 Section 26.08, Tax Code, using the certified appraisal roll.

7 (j) Notwithstanding Subsections (g), (h), and (i), a school
8 district may adopt a budget after the district adopts a tax rate for
9 the tax year in which the fiscal year covered by the budget begins
10 if the district elects to adopt a tax rate before receiving the
11 certified appraisal roll for the district as provided by Section
12 26.05(g), Tax Code. If a school district elects to adopt a tax rate
13 before adopting a budget, the district must provide ~~publish~~
14 notice and hold a meeting for the purpose of discussing the proposed
15 tax rate as provided by this section. Following adoption of the tax
16 rate, the district must provide ~~publish~~ notice and hold another
17 public meeting before the district may adopt a budget. The
18 comptroller shall prescribe the language and format to be used in
19 the notices. The school district may use the certified estimate of
20 taxable value in preparing a notice under this subsection.

21 SECTION 24. Subchapter A, Chapter 44, Education Code, is
22 amended by adding Section 44.011 to read as follows:

23 Sec. 44.011. FINANCIAL EXIGENCY. (a) The board of trustees
24 of a school district may adopt a resolution declaring a financial
25 exigency for the district. The declaration expires at the end of the
26 fiscal year during which the declaration is made unless the board
27 adopts a resolution before the end of the fiscal year declaring

1 continuation of the financial exigency for the following fiscal
2 year.

3 (b) The board is not limited in the number of times the board
4 may adopt a resolution declaring continuation of the financial
5 exigency.

6 (c) A board may terminate a financial exigency declaration
7 at any time if the board considers it appropriate.

8 SECTION 25. Section 45.003(a), Education Code, is amended
9 to read as follows:

10 (a) Bonds described by Section 45.001 may not be issued and
11 taxes described by Section 45.001 or 45.002 may not be levied unless
12 authorized by a majority of the qualified voters of the district,
13 voting at an election held for that purpose, at the expense of the
14 district, in accordance with the Election Code, except as provided
15 by this section. Each election must be called by resolution or
16 order of the governing board or commissioners court. The
17 resolution or order must state the date of the election, the
18 proposition or propositions to be submitted and voted on, the
19 polling place or places, and any other matters considered necessary
20 or advisable by the governing board or commissioners court. If an
21 election under this section is held as a joint election under
22 Chapter 271, Election Code, the polling places must be designated
23 in the manner provided by Section 11.0581(c) for polling places in
24 an election for trustees.

25 SECTION 26. Section 271.003(b), Election Code, is amended
26 to read as follows:

27 (b) The voters of a particular election precinct or

1 political subdivision may be served in a joint election by a common
2 polling place located outside the boundary of the election precinct
3 or political subdivision if the location can adequately and
4 conveniently serve the affected voters and will facilitate the
5 orderly conduct of the election, except as otherwise provided by
6 Section 11.0581, Education Code, or other law.

7 SECTION 27. Sections 825.405(a) and (b), Government Code,
8 are amended to read as follows:

9 (a) For members who would have been entitled to the minimum
10 salary for certain school personnel under Section 21.402, Education
11 Code, as that section existed on January 1, 2011, and for members
12 who would have been entitled to the minimum salary for certain
13 school personnel under former Section 16.056, Education Code, as
14 that section existed on January 1, 1995, the employing district
15 shall pay the state's contribution on the portion of the member's
16 salary that exceeds the statutory minimum salary.

17 (b) For purposes of this section:

18 (1) the statutory minimum salary for certain school
19 personnel under Section 21.402, Education Code, as that section
20 existed on January 1, 2011, is the salary provided by that section
21 multiplied by the cost of education adjustment applicable under
22 Section 42.102, Education Code, to the district in which the member
23 is employed; and

24 (2) the statutory minimum salary for members who would
25 have been entitled to the minimum salary for certain school
26 personnel under former Section 16.056, Education Code, as that
27 section existed on January 1, 1995, is a minimum salary computed in

1 the same manner as the minimum salary for certain school personnel
2 under Section 21.402, Education Code, as that section existed on
3 January 1, 2011, multiplied by the cost of education adjustment
4 applicable under Section 42.102, Education Code, to the district in
5 which the member is employed.

6 SECTION 28. (a) The following provisions of the Education
7 Code are repealed:

- 8 (1) Section 21.401;
- 9 (2) Section 21.402;
- 10 (3) Section 21.403;
- 11 (4) Section 21.4031;
- 12 (5) Section 21.410(1);
- 13 (6) Section 21.411(1);
- 14 (7) Section 21.412(1);
- 15 (8) Section 21.413(1);
- 16 (9) Section 29.0821(c); and
- 17 (10) Section 30.102(b).

18 (b) Section 823.404, Government Code, is repealed.

19 SECTION 29. A plan adopted by a school district under
20 Section 21.4032, Education Code, as added by this Act, may not be
21 used by the district for determining classroom teacher compensation
22 paid before the 2012-2013 school year.

23 SECTION 30. The changes in law made by Section 11.179,
24 Education Code, as added by this Act, and Sections 39.083(d),
25 39.306(c), and 44.004(b), (c), (i), and (j), Education Code, as
26 amended by this Act, apply only to notice for a hearing or meeting
27 for which notice is required to be provided on or after the

1 effective date of this Act. A notice for a hearing or meeting for
2 which notice is required to be provided before the effective date of
3 this Act is governed by the law in effect when the notice is
4 required to be provided, and the former law is continued in effect
5 for that purpose.

6 SECTION 31. (a) Except as provided by Subsection (b) of
7 this section, this Act applies beginning with the 2011-2012 school
8 year.

9 (b) If this Act takes effect on or before April 10, 2011, the
10 change in law made by Sections 21.103 and 21.206, Education Code, as
11 amended by this Act, applies beginning with contracts for the
12 2011-2012 school year. If this Act takes effect after April 10,
13 2011, the change in law made by Sections 21.103 and 21.206,
14 Education Code, as amended by this Act, applies beginning with
15 contracts for the 2012-2013 school year.

16 SECTION 32. The repeal by this Act of Section 823.404,
17 Government Code, does not affect equivalent membership service
18 credit established under that section before the effective date of
19 this Act.

20 SECTION 33. This Act takes effect immediately if it
21 receives a vote of two-thirds of all the members elected to each
22 house, as provided by Section 39, Article III, Texas Constitution.
23 If this Act does not receive the vote necessary for immediate
24 effect, this Act takes effect September 1, 2011.