

By: Smithee

H.B. No. 2848

A BILL TO BE ENTITLED

1 AN ACT

2 relating to treatment under the public school finance system of a  
3 school district that imposes a maintenance and operations tax at a  
4 rate below the rate otherwise required for entitlement to state  
5 funding.

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

7 SECTION 1. Section 41.093, Education Code, is amended by  
8 adding Subsection (a-1) to read as follows:

9 (a-1) This subsection applies only to a school district that  
10 adopts a tax rate for maintenance and operations that is less than  
11 the rate required to raise the district's total local share of the  
12 Foundation School Program under Section 42.252. Notwithstanding  
13 any other provision of this chapter, the amount described by  
14 Subsection (a)(1) for a district to which this subsection applies  
15 is determined on the basis of the maintenance and operations  
16 revenue that would be available to the district at a rate equal to  
17 the rate required to raise the district's total local share. The  
18 amount described by this subsection shall also be used in  
19 determining the district's required expenditures under Section  
20 41.121.

21 SECTION 2. Section 42.252(d), Education Code, is amended to  
22 read as follows:

23 (d) If a [A] school district adopts a maintenance and  
24 operations tax rate that is less than the rate required to [must]

1 raise the district's [~~its~~] total local share of the Foundation  
2 School Program, the commissioner shall reduce the sum of the  
3 district's allotments under Subchapters B and C in proportion to  
4 the amount by which the adopted rate is less than the rate required  
5 to raise the district's total local share [~~to be eligible to receive~~  
6 ~~foundation school fund payments~~].

7 SECTION 3. Section 26.08(p), Tax Code, as added by Chapters  
8 1240 (S.B. 2274) and 1328 (H.B. 3646), Acts of the 81st Legislature,  
9 Regular Session, 2009, is reenacted and amended to read as follows:

10 (p) Notwithstanding any other provision of this chapter  
11 [~~Subsections (i), (n), and (o)~~], if for the preceding tax year a  
12 school district adopted a maintenance and operations tax rate that  
13 was less than the rate required to raise the district's total local  
14 share of the Foundation School Program under Section 42.252,  
15 Education Code [~~effective maintenance and operations tax rate for~~  
16 ~~that preceding tax year~~], the rollback tax rate of the district for  
17 the current tax year is the greater of the rate calculated under  
18 Subsection (n) or (o), as applicable, or the rate required to raise  
19 the district's total local share of the Foundation School Program  
20 under Section 42.252, Education Code [~~as if the district adopted a~~  
21 ~~maintenance and operations tax rate for the preceding tax year that~~  
22 ~~was equal to the district's effective maintenance and operations~~  
23 ~~tax rate for that preceding tax year~~].

24 SECTION 4. Section 42.008, Education Code, is repealed.

25 SECTION 5. To the extent of any conflict, this Act prevails  
26 over another Act of the 82nd Legislature, Regular Session, 2011,  
27 relating to nonsubstantive additions to and corrections in enacted

1 codes.

2 SECTION 6. This Act takes effect September 1, 2011.