

1-1 By: Nelson, et al. S.B. No. 1  
 1-2 (In the Senate - Filed February 24, 2015;  
 1-3 February 24, 2015, read first time and referred to Committee on  
 1-4 Finance; March 23, 2015, reported adversely, with favorable  
 1-5 Committee Substitute by the following vote: Yeas 13, Nays 2;  
 1-6 March 23, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Nelson	X			
1-9 Hinojosa	X			
1-10 Bettencourt	X			
1-11 Eltife		X		
1-12 Hancock	X			
1-13 Huffman	X			
1-14 Kolkhorst	X			
1-15 Nichols	X			
1-16 Schwertner	X			
1-17 Seliger	X			
1-18 Taylor of Galveston	X			
1-19 Uresti	X			
1-20 Watson	X			
1-21 West	X			
1-22 Whitmire		X		

1-24 COMMITTEE SUBSTITUTE FOR S.B. No. 1 By: Nelson

1-25 A BILL TO BE ENTITLED  
 1-26 AN ACT

1-27 relating to certain restrictions on the imposition of ad valorem  
 1-28 taxes and to the duty of the state to reimburse certain political  
 1-29 subdivisions for certain revenue loss.

1-30 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-31 SECTION 1. Section 11.13, Tax Code, is amended by amending  
 1-32 Subsection (b) and adding Subsections (b-1) and (n-1) to read as  
 1-33 follows:

1-34 (b) An adult is entitled to exemption from taxation by a  
 1-35 school district of a portion [~~\$15,000~~] of the appraised value of the  
 1-36 adult's residence homestead equal to 25 percent of the median  
 1-37 market value of all residence homesteads in the state, except that  
 1-38 only \$5,000 [~~\$10,000~~] of the exemption applies [~~does not apply~~]  
 1-39 an entity operating under former Chapter 17, 18, 25, 26, 27, or 28,  
 1-40 Education Code, as those chapters existed on May 1, 1995, as  
 1-41 permitted by Section 11.301, Education Code. For purposes of this  
 1-42 subsection, the Legislative Budget Board shall determine the median  
 1-43 market value of all residence homesteads in the state in each tax  
 1-44 year on the basis of the market value of all residence homesteads in  
 1-45 the state in the preceding tax year as determined by the appraisal  
 1-46 districts in the state and shall publish that value in the Texas  
 1-47 Register not later than February 1.

1-48 (b-1) Notwithstanding Subsection (b), for purposes of  
 1-49 computing the amount of the exemption under that subsection for the  
 1-50 2015 tax year, the Legislative Budget Board shall determine the  
 1-51 median market value of all residence homesteads in the state in the  
 1-52 manner provided by that subsection and publish that value in the  
 1-53 Texas Register not later than August 1, 2015. This subsection  
 1-54 expires December 31, 2016.

1-55 (n-1) The governing body of a taxing unit that adopted an  
 1-56 exemption under Subsection (n) for the 2014 tax year may not reduce  
 1-57 the amount of or repeal the exemption. This subsection expires  
 1-58 December 31, 2024.

1-59 SECTION 2. Section 11.26(a), Tax Code, is amended to read as  
 1-60 follows:

2-1 (a) The tax officials shall appraise the property to which  
 2-2 this section applies and calculate taxes as on other property, but  
 2-3 if the tax so calculated exceeds the limitation imposed by this  
 2-4 section, the tax imposed is the amount of the tax as limited by this  
 2-5 section, except as otherwise provided by this section. A school  
 2-6 district may not increase the total annual amount of ad valorem tax  
 2-7 it imposes on the residence homestead of an individual 65 years of  
 2-8 age or older or on the residence homestead of an individual who is  
 2-9 disabled, as defined by Section 11.13, above the amount of the tax  
 2-10 it imposed in the first tax year in which the individual qualified  
 2-11 that residence homestead for the applicable exemption provided by  
 2-12 Section 11.13(c) for an individual who is 65 years of age or older  
 2-13 or is disabled. If the individual qualified that residence  
 2-14 homestead for the exemption after the beginning of that first year  
 2-15 and the residence homestead remains eligible for the same exemption  
 2-16 for the next year, and if the school district taxes imposed on the  
 2-17 residence homestead in the next year are less than the amount of  
 2-18 taxes imposed in that first year, a school district may not  
 2-19 subsequently increase the total annual amount of ad valorem taxes  
 2-20 it imposes on the residence homestead above the amount it imposed in  
 2-21 the year immediately following the first year for which the  
 2-22 individual qualified that residence homestead for the same  
 2-23 exemption, except as provided by Subsection (b). If the first tax  
 2-24 year the individual qualified the residence homestead for the  
 2-25 exemption provided by Section 11.13(c) for individuals 65 years of  
 2-26 age or older or disabled was a tax year before the 2015 [1997] tax  
 2-27 year, the amount of the limitation provided by this section is the  
 2-28 amount of tax the school district imposed for the 2014 [1996] tax  
 2-29 year less an amount equal to the amount determined by subtracting  
 2-30 \$15,000 from the amount of the exemption under Section 11.13(b) for  
 2-31 the 2015 tax year and multiplying that amount by [~~\$10,000 times~~]  
 2-32 the tax rate of the school district for the 2015 [1997] tax year, plus  
 2-33 any 2015 [1997] tax attributable to improvements made in 2014  
 2-34 [1996], other than improvements made to comply with governmental  
 2-35 regulations or repairs.

2-36 SECTION 3. Section 25.23, Tax Code, is amended by adding  
 2-37 Subsection (a-1) to read as follows:

2-38 (a-1) This subsection applies only to the appraisal records  
 2-39 for the 2015 tax year. If the appraisal records submitted to the  
 2-40 appraisal review board include the taxable value of residence  
 2-41 homesteads or show the amount of the exemption under Section  
 2-42 11.13(b) applicable to residence homesteads, the chief appraiser  
 2-43 shall prepare supplemental appraisal records that reflect the  
 2-44 amount of the exemption as published by the Legislative Budget  
 2-45 Board under Section 11.13(b-1). This subsection expires December  
 2-46 31, 2016.

2-47 SECTION 4. Section 26.04, Tax Code, is amended by adding  
 2-48 Subsections (a-1) and (c-1) to read as follows:

2-49 (a-1) On receipt of the appraisal roll for the 2015 tax  
 2-50 year, the assessor for a school district shall determine the total  
 2-51 taxable value of property taxable by the school district and the  
 2-52 taxable value of new property based on a residence homestead  
 2-53 exemption under Section 11.13(b) of \$15,000 and an exemption under  
 2-54 that subsection of the amount published by the Legislative Budget  
 2-55 Board under Section 11.13(b-1). This subsection expires December  
 2-56 31, 2016.

2-57 (c-1) An officer or employee designated by the governing  
 2-58 body of a school district shall calculate the effective tax rate and  
 2-59 the rollback tax rate of the school district for the 2015 tax year  
 2-60 based on a residence homestead exemption under Section 11.13(b) of  
 2-61 \$15,000 and an exemption under that subsection of the amount  
 2-62 published by the Legislative Budget Board under Section 11.13(b-1).  
 2-63 This subsection expires December 31, 2016.

2-64 SECTION 5. Section 26.05, Tax Code, is amended by adding  
 2-65 Subsection (a-1) to read as follows:

2-66 (a-1) Notwithstanding Subsection (a), the governing body of  
 2-67 a taxing unit shall adopt a tax rate for the 2015 tax year before the  
 2-68 later of October 31, 2015, or the 60th day after the date the  
 2-69 certified appraisal roll is received by the taxing unit. This

3-1 subsection expires December 31, 2016.

3-2 SECTION 6. Section 31.01, Tax Code, is amended by adding  
3-3 Subsection (a-1) to read as follows:

3-4 (a-1) Notwithstanding Subsection (a), the assessor for a  
3-5 school district shall mail the tax bill for the taxes imposed by the  
3-6 school district for the 2015 tax year on a residence homestead that  
3-7 qualifies for a tax limitation as provided by Section 11.26 by  
3-8 December 1, 2015, or as soon thereafter as practicable. This  
3-9 subsection expires December 31, 2016.

3-10 SECTION 7. Subchapter A, Chapter 41, Education Code, is  
3-11 amended by adding Section 41.0011 to read as follows:

3-12 Sec. 41.0011. COMPUTATION OF WEALTH PER STUDENT FOR  
3-13 2015-2016 SCHOOL YEAR. Notwithstanding any other provision of this  
3-14 chapter, in computing a school district's wealth per student for  
3-15 the 2015-2016 school year, a school district's taxable value of  
3-16 property under Subchapter M, Chapter 403, Government Code, is  
3-17 determined as if the increase in the residence homestead exemption  
3-18 under Section 1-b(c), Article VIII, Texas Constitution, and the  
3-19 additional limitation on tax increases under Section 1-b(d) of that  
3-20 article in effect for the 2015 tax year as proposed by S.J.R. 1,  
3-21 84th Legislature, Regular Session, 2015, had been in effect for the  
3-22 2014 tax year. This section expires September 1, 2016.

3-23 SECTION 8. Section 41.004, Education Code, is amended by  
3-24 adding Subsections (a-1), (b-1), and (c-1) to read as follows:

3-25 (a-1) This subsection applies only if the constitutional  
3-26 amendment proposed by S.J.R. 1, 84th Legislature, Regular Session,  
3-27 2015, is approved by the voters in an election held for that  
3-28 purpose. As soon as practicable after receiving revised property  
3-29 values that reflect adoption of the constitutional amendment, the  
3-30 commissioner shall review the wealth per student of districts in  
3-31 the state and revise as necessary the notifications provided under  
3-32 Subsection (a) for the 2015-2016 school year.

3-33 (b-1) This subsection applies only to a district that has  
3-34 not previously held an election under this chapter and is not  
3-35 eligible to reduce the district's wealth per student in the manner  
3-36 authorized by Section 41.0041. Notwithstanding Subsection (b), a  
3-37 district that enters into an agreement to exercise an option to  
3-38 reduce the district's wealth per student under Section 41.003(3),  
3-39 (4), or (5) for the 2015-2016 school year may request and, as  
3-40 provided by Section 41.0042(a), receive approval from the  
3-41 commissioner to delay the date of the election otherwise required  
3-42 to be ordered before September 1. This subsection expires  
3-43 September 1, 2016.

3-44 (c-1) Notwithstanding Subsection (c), a district that  
3-45 receives approval from the commissioner to delay an election as  
3-46 provided by Subsection (b-1) may adopt a tax rate for the 2015 tax  
3-47 year before the commissioner certifies that the district has  
3-48 achieved the equalized wealth level. This subsection expires  
3-49 September 1, 2016.

3-50 SECTION 9. Subchapter A, Chapter 41, Education Code, is  
3-51 amended by adding Section 41.0042 to read as follows:

3-52 Sec. 41.0042. TRANSITIONAL PROVISIONS: INCREASED  
3-53 HOMESTEAD EXEMPTION AND LIMITATION ON TAX INCREASES. (a) The  
3-54 commissioner shall approve a district's request under Section  
3-55 41.004(b-1) to delay the date of an election required under this  
3-56 chapter if the commissioner determines that the district would not  
3-57 have a wealth per student that exceeds the equalized wealth level  
3-58 if:

3-59 (1) the constitutional amendment proposed by S.J.R. 1,  
3-60 84th Legislature, Regular Session, 2015, were approved by the  
3-61 voters; and

3-62 (2) the effect of the amendment specified in  
3-63 Subdivision (1) were determined using the median market value of  
3-64 all residence homesteads in the state in the 2014 tax year, as  
3-65 determined by the Legislative Budget Board in accordance with  
3-66 Section 11.13(b-1), Tax Code.

3-67 (b) The commissioner shall set a date by which each district  
3-68 that receives approval under this section must order the election.

3-69 (c) Not later than the 2016-2017 school year, the

4-1 commissioner shall order detachment and annexation of property  
 4-2 under Subchapter G or consolidation under Subchapter H as necessary  
 4-3 to achieve the equalized wealth level for a district that receives  
 4-4 approval under this section and subsequently:

4-5 (1) fails to hold the election; or

4-6 (2) does not receive voter approval at the election.

4-7 (d) This section expires September 1, 2017.

4-8 SECTION 10. Subchapter A, Chapter 41, Education Code, is  
 4-9 amended by adding Section 41.0121 to read as follows:

4-10 Sec. 41.0121. TRANSITIONAL ELECTION DATES. (a) This  
 4-11 section applies only to an election under this chapter that occurs  
 4-12 during the 2015-2016 school year.

4-13 (b) Section 41.012 does not apply to a district that  
 4-14 receives approval of a request under Section 41.0042. The district  
 4-15 shall hold the election on a Tuesday or Saturday on or before a date  
 4-16 specified by the commissioner. Section 41.001, Election Code, does  
 4-17 not apply to the election.

4-18 (c) This section expires September 1, 2016.

4-19 SECTION 11. Section 41.094, Education Code, is amended by  
 4-20 adding Subsection (a-1) to read as follows:

4-21 (a-1) Notwithstanding Subsection (a), a district that  
 4-22 receives approval of a request under Section 41.0042 shall pay for  
 4-23 credits purchased in equal monthly payments as determined by the  
 4-24 commissioner beginning March 15, 2016, and ending August 15, 2016.  
 4-25 This subsection expires September 1, 2016.

4-26 SECTION 12. Subchapter D, Chapter 41, Education Code, is  
 4-27 amended by adding Section 41.0981 to read as follows:

4-28 Sec. 41.0981. TRANSITIONAL EARLY AGREEMENT CREDIT.  
 4-29 Notwithstanding Section 41.098, a district that receives approval  
 4-30 of a request under Section 41.0042 may receive the early agreement  
 4-31 credit described by Section 41.098 for the 2015-2016 school year if  
 4-32 the district orders the election and obtains voter approval not  
 4-33 later than the date specified by the commissioner. This section  
 4-34 expires September 1, 2016.

4-35 SECTION 13. Section 41.208, Education Code, is amended by  
 4-36 adding Subsection (a-1) to read as follows:

4-37 (a-1) Notwithstanding Subsection (a), for the 2015-2016  
 4-38 school year, the commissioner shall order any detachments and  
 4-39 annexations of property under this subchapter as soon as  
 4-40 practicable after the canvass of the votes on the constitutional  
 4-41 amendment proposed by S.J.R. 1, 84th Legislature, Regular Session,  
 4-42 2015. This subsection expires September 1, 2016.

4-43 SECTION 14. Subchapter E, Chapter 42, Education Code, is  
 4-44 amended by adding Section 42.2518 to read as follows:

4-45 Sec. 42.2518. ADDITIONAL STATE AID FOR HOMESTEAD EXEMPTION  
 4-46 AND LIMITATION ON TAX INCREASES. (a) For the 2015-2016 and  
 4-47 2016-2017 school years, a school district is entitled to additional  
 4-48 state aid to the extent that state and local revenue under this  
 4-49 chapter and Chapter 41 is less than the state and local revenue that  
 4-50 would have been available to the district under Chapter 41 and this  
 4-51 chapter as those chapters existed on September 1, 2015, if the  
 4-52 increase in the residence homestead exemption under Section 1-b(c),  
 4-53 Article VIII, Texas Constitution, and the additional limitation on  
 4-54 tax increases under Section 1-b(d) of that article in effect for the  
 4-55 applicable tax year as proposed by S.J.R. 1, 84th Legislature,  
 4-56 Regular Session, 2015, had not occurred.

4-57 (b) The lesser of the school district's currently adopted  
 4-58 maintenance and operations tax rate or the adopted maintenance and  
 4-59 operations tax rate for the 2014 tax year is used for the purpose of  
 4-60 determining additional state aid under this section.

4-61 (c) Revenue from a school district maintenance and  
 4-62 operations tax that is levied to pay costs of a lease-purchase  
 4-63 agreement as described by Section 46.004 and that is included in  
 4-64 determining state assistance under Subchapter A, Chapter 46, is  
 4-65 included for the purpose of calculating state aid under this  
 4-66 section.

4-67 (d) The commissioner, using information provided by the  
 4-68 comptroller and other information as necessary, shall compute the  
 4-69 amount of additional state aid to which a district is entitled under

5-1 this section. A determination by the commissioner under this  
 5-2 section is final and may not be appealed.

5-3 (e) This section expires August 31, 2017.

5-4 SECTION 15. Effective September 1, 2017, Subchapter E,  
 5-5 Chapter 42, Education Code, is amended by adding Section 42.2518 to  
 5-6 read as follows:

5-7 Sec. 42.2518. ADDITIONAL STATE AID FOR HOMESTEAD EXEMPTION  
 5-8 AND LIMITATION ON TAX INCREASES. (a) Beginning with the 2017-2018  
 5-9 school year, a school district is entitled to additional state aid  
 5-10 to the extent that state and local revenue under this chapter and  
 5-11 Chapter 41 is less than the state and local revenue that would have  
 5-12 been available to the district under Chapter 41 and this chapter as  
 5-13 those chapters existed on September 1, 2015, excluding any state  
 5-14 aid that would have been provided under former Section 42.2516, if  
 5-15 the increase in the residence homestead exemption under Section  
 5-16 1-b(c), Article VIII, Texas Constitution, and the additional  
 5-17 limitation on tax increases under Section 1-b(d) of that article in  
 5-18 effect for the applicable tax year as proposed by S.J.R. 1, 84th  
 5-19 Legislature, Regular Session, 2015, had not occurred.

5-20 (b) The lesser of the school district's currently adopted  
 5-21 maintenance and operations tax rate or the adopted maintenance and  
 5-22 operations tax rate for the 2014 tax year is used for the purpose of  
 5-23 determining additional state aid under this section.

5-24 (c) Revenue from a school district maintenance and  
 5-25 operations tax that is levied to pay costs of a lease-purchase  
 5-26 agreement as described by Section 46.004 and that is included in  
 5-27 determining state assistance under Subchapter A, Chapter 46, is  
 5-28 included for the purpose of calculating state aid under this  
 5-29 section.

5-30 (d) The commissioner, using information provided by the  
 5-31 comptroller and other information as necessary, shall compute the  
 5-32 amount of additional state aid to which a district is entitled under  
 5-33 this section. A determination by the commissioner under this  
 5-34 section is final and may not be appealed.

5-35 SECTION 16. Section 42.252, Education Code, is amended by  
 5-36 adding Subsection (e) to read as follows:

5-37 (e) Notwithstanding any other provision of this chapter, in  
 5-38 computing each school district's local share of program cost under  
 5-39 this section for the 2015-2016 school year, a school district's  
 5-40 taxable value of property under Subchapter M, Chapter 403,  
 5-41 Government Code, is determined as if the increase in the residence  
 5-42 homestead exemption under Section 1-b(c), Article VIII, Texas  
 5-43 Constitution, and the additional limitation on tax increases under  
 5-44 Section 1-b(d) of that article in effect for the 2015 tax year as  
 5-45 proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had  
 5-46 been in effect for the 2014 tax year. This subsection expires  
 5-47 September 1, 2016.

5-48 SECTION 17. Section 42.302, Education Code, is amended by  
 5-49 adding Subsection (g) to read as follows:

5-50 (g) Notwithstanding any other provision of this chapter, in  
 5-51 computing a school district's enrichment tax rate ("DTR") and local  
 5-52 revenue ("LR") for the 2015-2016 school year, a school district's  
 5-53 taxable value of property under Subchapter M, Chapter 403,  
 5-54 Government Code, is determined as if the increase in the residence  
 5-55 homestead exemption under Section 1-b(c), Article VIII, Texas  
 5-56 Constitution, and the additional limitation on tax increases under  
 5-57 Section 1-b(d) of that article in effect for the 2015 tax year as  
 5-58 proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had  
 5-59 been in effect for the 2014 tax year. This subsection expires  
 5-60 September 1, 2016.

5-61 SECTION 18. Section 46.003, Education Code, is amended by  
 5-62 adding Subsection (i) to read as follows:

5-63 (i) Notwithstanding any other provision of this chapter, in  
 5-64 computing a district's bond tax rate ("BTR") and taxable value of  
 5-65 property ("DPV") for the 2015-2016 school year, a school district's  
 5-66 taxable value of property under Subchapter M, Chapter 403,  
 5-67 Government Code, is determined as if the increase in the residence  
 5-68 homestead exemption under Section 1-b(c), Article VIII, Texas  
 5-69 Constitution, and the additional limitation on tax increases under

6-1 Section 1-b(d) of that article in effect for the 2015 tax year as  
 6-2 proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had  
 6-3 been in effect for the 2014 tax year. This subsection expires  
 6-4 September 1, 2016.

6-5 SECTION 19. Section 46.032, Education Code, is amended by  
 6-6 adding Subsection (d) to read as follows:

6-7 (d) Notwithstanding any other provision of this chapter, in  
 6-8 computing a district's existing debt tax rate ("EDTR") and taxable  
 6-9 value of property ("DPV") for the 2015-2016 school year, a school  
 6-10 district's taxable value of property under Subchapter M, Chapter  
 6-11 403, Government Code, is determined as if the increase in the  
 6-12 residence homestead exemption under Section 1-b(c), Article VIII,  
 6-13 Texas Constitution, and the additional limitation on tax increases  
 6-14 under Section 1-b(d) of that article in effect for the 2015 tax year  
 6-15 as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015,  
 6-16 had been in effect for the 2014 tax year. This subsection expires  
 6-17 September 1, 2016.

6-18 SECTION 20. Chapter 46, Education Code, is amended by  
 6-19 adding Subchapter D to read as follows:

6-20 SUBCHAPTER D. STATE AID FOR HOMESTEAD EXEMPTION AND LIMITATION ON  
 6-21 TAX INCREASES

6-22 Sec. 46.071. ADDITIONAL STATE AID FOR HOMESTEAD EXEMPTION  
 6-23 AND LIMITATION ON TAX INCREASES. (a) Beginning with the 2015-2016  
 6-24 school year, a school district is entitled to additional state aid  
 6-25 under this subchapter to the extent that state and local revenue  
 6-26 used to service debt eligible under this chapter is less than the  
 6-27 state and local revenue that would have been available to the  
 6-28 district under this chapter as it existed on September 1, 2015, if  
 6-29 the increase in the residence homestead exemption under Section  
 6-30 1-b(c), Article VIII, Texas Constitution, and the additional  
 6-31 limitation on tax increases under Section 1-b(d) of that article in  
 6-32 effect for the applicable tax year as proposed by S.J.R. 1, 84th  
 6-33 Legislature, Regular Session, 2015, had not occurred.

6-34 (b) Subject to Subsections (c)-(e), additional state aid  
 6-35 under this section is equal to the amount by which the loss of local  
 6-36 interest and sinking revenue for debt service attributable to the  
 6-37 increase in the residence homestead exemption under Section 1-b(c),  
 6-38 Article VIII, Texas Constitution, and the additional limitation on  
 6-39 tax increases under Section 1-b(d) of that article in effect for the  
 6-40 applicable tax year as proposed by S.J.R. 1, 84th Legislature,  
 6-41 Regular Session, 2015, is not offset by a gain in state aid under  
 6-42 this chapter.

6-43 (c) For the purpose of determining state aid under this  
 6-44 section, local interest and sinking revenue for debt service is  
 6-45 limited to revenue required to service debt eligible under this  
 6-46 chapter as of September 1, 2015, including refunding of that debt,  
 6-47 subject to Section 46.061. The limitation imposed by Section  
 6-48 46.034(a) does not apply for the purpose of determining state aid  
 6-49 under this section.

6-50 (d) If the amount required to pay debt service eligible  
 6-51 under this section is less than the sum of state and local  
 6-52 assistance provided under this chapter, including the amount of  
 6-53 additional aid provided under this section, the district may not  
 6-54 receive aid under this section in excess of the amount that, when  
 6-55 added to the district's local interest and sinking revenue for debt  
 6-56 service for the school year, as defined by this section, and state  
 6-57 aid under Subchapters A and B, equals the amount required to pay the  
 6-58 eligible debt service.

6-59 (e) The commissioner, using information provided by the  
 6-60 comptroller and other information as necessary, shall compute the  
 6-61 amount of additional state aid to which a district is entitled under  
 6-62 this section. A determination by the commissioner under this  
 6-63 section is final and may not be appealed.

6-64 SECTION 21. Section 403.302(j), Government Code, is amended  
 6-65 to read as follows:

6-66 (j) For purposes of Chapter 42, Education Code, the  
 6-67 comptroller shall certify to the commissioner of education:

6-68 (1) a final value for each school district computed on  
 6-69 a residence homestead exemption under Section 1-b(c), Article VIII,

7-1 Texas Constitution, of \$5,000;  
7-2 (2) a final value for each school district computed  
7-3 on:

7-4 (A) a residence homestead exemption under  
7-5 Section 1-b(c), Article VIII, Texas Constitution, of \$15,000; and

7-6 (B) the effect of the additional limitation on  
7-7 tax increases under Section 1-b(d), Article VIII, Texas  
7-8 Constitution, as proposed by H.J.R. No. 4, 75th Legislature,  
7-9 Regular Session, 1997; [~~and~~]

7-10 (3) a final value for each school district computed on  
7-11 the effect of the reduction of the limitation on tax increases to  
7-12 reflect any reduction in the school district tax rate as provided by  
7-13 Section 11.26(a-1), (a-2), or (a-3), Tax Code, as applicable; and

7-14 (4) a final value for each school district computed  
7-15 on:

7-16 (A) the amount of the residence homestead  
7-17 exemption under Section 1-b(c), Article VIII, Texas Constitution,  
7-18 in effect for the applicable tax year; and

7-19 (B) the effect of the additional limitation on  
7-20 tax increases under Section 1-b(d), Article VIII, Texas  
7-21 Constitution, as proposed by S.J.R. 1, 84th Legislature, Regular  
7-22 Session, 2015.

7-23 SECTION 22. This Act applies to each tax year that begins on  
7-24 or after January 1, 2015.

7-25 SECTION 23. (a) Except as provided by Subsection (b) of this  
7-26 section or as otherwise provided by this Act:

7-27 (1) this Act takes effect on the date on which the  
7-28 constitutional amendment proposed by S.J.R. 1, 84th Legislature,  
7-29 Regular Session, 2015, takes effect; and

7-30 (2) if that amendment is not approved by the voters,  
7-31 this Act has no effect.

7-32 (b) Sections 11.13(b-1), 25.23(a-1), 26.04(a-1) and (c-1),  
7-33 and 31.01(a-1), Tax Code, and Sections 41.004(a-1), (b-1), and  
7-34 (c-1), 41.0042, 41.0121, 41.094(a-1), and 41.0981, Education Code,  
7-35 as added by this Act, take effect immediately if this Act receives a  
7-36 vote of two-thirds of all the members elected to each house, as  
7-37 provided by Section 39, Article III, Texas Constitution. If this  
7-38 Act does not receive the vote necessary for those sections to have  
7-39 immediate effect, those sections take effect on the 91st day after  
7-40 the last day of the legislative session.

7-41 \* \* \* \* \*