

Amend SB 1 (senate committee printing) as follows:

(1) In the recital to SECTION 34 of the bill (page 17, line 28), strike "(b-4), (b-5), (b-6), and (b-7)" and substitute "and (b-4)".

(2) In SECTION 34 of the bill, in added Section 26.06(b-1), Tax Code (page 18, lines 12 and 13), strike "This subsection and Subsections (b-2) and (b-3) apply only to a small taxing unit.".

(3) In SECTION 34 of the bill (page 19, line 53, through page 21, line 34), strike added Sections 26.06(b-4), (b-5), (b-6), and (b-7), Tax Code, and substitute the following:

(b-4) In addition to including the information described by Subsection (b-1), (b-2), or (b-3), as applicable, the notice must include the information described by Section 26.062.

(4) In SECTION 35 of the bill (page 22, lines 32-69), strike added Section 26.061(b), Tax Code, and substitute the following:

(b) The notice of the meeting at which the governing body of the taxing unit will vote on the proposed tax rate must contain a statement in the following form:

"NOTICE OF MEETING TO VOTE ON TAX RATE

"PROPOSED TAX RATE \$_____ per \$100

"EQUIVALENT TAX RATE \$_____ per \$100

"ROLLBACK TAX RATE \$_____ per \$100

"The equivalent tax rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The rollback tax rate is the highest tax rate that (name of taxing unit) may adopt before the voters are entitled to petition for an election to limit the rate that may be approved to the rollback tax rate.

"The proposed tax rate is not greater than the equivalent tax rate. This means that (name of taxing unit) is not proposing to increase property taxes for the (current tax year) tax year.

"A public meeting to vote on the proposed tax rate will be held on (date and time) at (meeting place).

"The proposed tax rate is also not greater than the rollback

tax rate. As a result, the voters are not entitled to petition for an election to limit the rate that may be approved to the rollback tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the (name of governing body) of (name of taxing unit) at their offices or by attending the public meeting mentioned above.

"Your taxes owed under any of the above rates can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

"(Names of all members of the governing body, showing how each voted on the proposed tax rate or, if one or more were absent, indicating the absences.)"

(5) In SECTION 35 of the bill, in added Section 26.062(a), Tax Code (page 23, line 6), strike "(b-3), (b-4), (b-5), or (b-6)" and substitute "or (b-3)".

(6) Strike SECTION 37 of the bill (page 24, lines 63-66).

(7) In the recital to SECTION 38 of the bill (page 24, line 67), strike "Sections 26.07(a) and (b), Tax Code, are" and substitute "Section 26.07(b), Tax Code, is".

(8) In SECTION 38 of the bill (page 24, line 69, through page 25, line 6), strike amended Section 26.07(a), Tax Code.

(9) Strike SECTIONS 39 and 40 of the bill (page 25, line 26, through page 27, line 17) and substitute the following appropriately numbered SECTION:

SECTION _____. Sections 26.08(b), (g), (n), and (p), Tax Code, are amended to read as follows:

(b) The governing body shall order that the election be held in the school district on the uniform election date prescribed by [~~a date not less than 30 or more than 90 days after the day on which it adopted the tax rate.~~] Section 41.001, Election Code, that occurs in November of the applicable tax year. The order calling the election may not be issued later than August 15 [~~does not apply to the election unless a date specified by that section falls within the time permitted by this section~~]. At the election, the ballots shall be prepared to permit voting for or against the proposition: "Approving the ad valorem tax rate of \$_____ per \$100 valuation in

(name of school district) for the current year, a rate that is \$_____ higher per \$100 valuation than the school district rollback tax rate, for the purpose of (description of purpose of increase)." The ballot proposition must include the adopted tax rate and the difference between that rate and the rollback tax rate in the appropriate places.

(g) In a school district that received distributions from an equalization tax imposed under former Chapter 18, Education Code, the equivalent [~~effective~~] rate of that tax as of the date of the county unit system's abolition is added to the district's rollback tax rate.

(n) For purposes of this section, the rollback tax rate of a school district whose maintenance and operations tax rate for the 2005 tax year was \$1.50 or less per \$100 of taxable value is:

(1) for the 2006 tax year, the sum of the rate that is equal to 88.67 percent of the maintenance and operations tax rate adopted by the district for the 2005 tax year, the rate of \$0.04 per \$100 of taxable value, and the district's current debt rate; and

(2) for the 2007 and subsequent tax years, the lesser of the following:

(A) the sum of the following:

(i) the rate per \$100 of taxable value that is equal to the product of the state compression percentage, as determined under Section 42.2516, Education Code, for the current year and \$1.50;

(ii) the rate of \$0.04 per \$100 of taxable value;

(iii) the rate that is equal to the sum of the differences for the 2006 and each subsequent tax year between the adopted tax rate of the district for that year if the rate was approved at an election under this section and the rollback tax rate of the district for that year; and

(iv) the district's current debt rate; or

(B) the sum of the following:

(i) the equivalent [~~effective~~] maintenance and operations tax rate of the district as computed under Subsection (i) [~~or (k), as applicable~~];

(ii) the rate per \$100 of taxable value that is equal to the product of the state compression percentage, as determined under Section 42.2516, Education Code, for the current year and \$0.06; and

(iii) the district's current debt rate.

(p) Notwithstanding Subsections (i), (n), and (o), if for the preceding tax year a school district adopted a maintenance and operations tax rate that was less than the district's equivalent [~~effective~~] maintenance and operations tax rate for that preceding tax year, the rollback tax rate of the district for the current tax year is calculated as if the district adopted a maintenance and operations tax rate for the preceding tax year that was equal to the district's equivalent [~~effective~~] maintenance and operations tax rate for that preceding tax year.

(10) In SECTION 43 of the bill (page 27, line 58, through page 28, line 25), strike amended Section 26.16(d), Tax Code, and substitute the following:

(d) The county assessor-collector shall post immediately below the table prescribed by Subsection (c) the following statement:

"The county is providing this table of property tax rate information as a service to the residents of the county. Each individual taxing unit is responsible for calculating the property tax rates listed in this table pertaining to that taxing unit and providing that information to the county.

"The adopted tax rate is the tax rate adopted by the governing body of a taxing unit.

"The maintenance and operations rate is the component of the adopted tax rate of a taxing unit that will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the following year.

"The debt rate is the component of the adopted tax rate of a taxing unit that will impose the amount of taxes needed to fund the unit's debt service for the following year.

"The equivalent [~~effective~~] tax rate is the tax rate that would generate the same amount of revenue in the current tax year as was generated by a taxing unit's adopted tax rate in the preceding

tax year from property that is taxable in both the current tax year and the preceding tax year.

"The equivalent [~~effective~~] maintenance and operations rate is the tax rate that would generate the same amount of revenue for maintenance and operations in the current tax year as was generated by a taxing unit's maintenance and operations rate in the preceding tax year from property that is taxable in both the current tax year and the preceding tax year.

"The rollback tax rate is the highest tax rate a taxing unit may adopt before requiring voter approval at an election. In the case of a taxing unit other than a school district, the voters by petition may require that a rollback election be held if the unit adopts a tax rate in excess of the unit's rollback tax rate. In the case of a school district, an election will automatically be held if the district wishes to adopt a tax rate in excess of the district's rollback tax rate."

(11) Strike SECTIONS 45 and 46 of the bill (page 30, line 35, through page 31, line 15).

(12) Strike SECTION 54 of the bill (page 33, line 61, through page 34, line 11).

(13) Strike SECTION 56 of the bill (page 34, lines 18-31).

(14) Strike SECTION 61 of the bill (page 36, lines 42-57).

(15) In the recital to SECTION 62 of the bill (page 36, lines 58 and 59), strike "Sections 3828.157 and 8876.152, Special District Local Laws Code, are" and substitute "Section 8876.152, Special District Local Laws Code, is".

(16) In SECTION 62 of the bill (page 36, lines 60-63), strike amended Section 3828.157, Special District Local Laws Code.

(17) In SECTION 62 of the bill, in amended Section 8876.152(a), Special District Local Laws Code (page 36, line 65), strike "~~and~~ 26.07, and 26.08," and substitute "and 26.07,".

(18) In SECTION 63 of the bill, in amended Section 49.107(g), Water Code (page 37, line 3), strike "~~and~~ 26.07, and 26.08," and substitute "and 26.07,".

(19) In SECTION 64 of the bill, in amended Section 49.108(f), Water Code (page 37, line 9), strike "~~and~~ 26.07, and 26.08," and substitute "and 26.07,".

- (20) Strike SECTION 75 of the bill (page 39, lines 12-16).
- (21) Renumber the SECTIONS of the bill accordingly.