Amend **SB 1** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering the subsequent SECTIONS of the bill accordingly:

SECTION ____. Chapter 26, Tax Code, is amended by adding Section 26.0446 to read as follows:

Sec. 26.0446. ELECTION TO APPLY LAW GOVERNING TAXING UNIT OTHER THAN SMALL TAXING UNIT TO SMALL TAXING UNIT. (a) On the uniform election date prescribed by Section 41.001, Election Code, in May of 2018, each taxing unit that would have been a small taxing unit in the 2017 tax year if Section 26.012(19) had been in effect in that tax year shall call an election for the purpose of allowing the voters in the taxing unit to determine whether the law governing a taxing unit other than a small taxing unit shall apply to the taxing unit. At the election, the ballots shall be prepared to permit voting for or against the proposition: "Limiting the rate at which the maintenance and operations taxes of the (name of taxing unit) may be increased without voter approval to four percent rather than eight percent and requiring an automatic election to ratify a proposed tax rate that would increase those taxes by more than that amount instead of requiring an election to limit the tax rate only if the voters petition for such an election."

(b) If a majority of the votes cast in the election favor the proposition, the taxing unit is considered to be a taxing unit other than a small taxing unit regardless of whether it meets the definition of a small taxing unit under Section 26.012.

(c) If the proposition is not approved as provided by Subsection (b), the taxing unit is considered to be a taxing unit other than a small taxing unit only if it does not meet the definition of a small taxing unit under Section 26.012.

(d) The secretary of state by rule shall prescribe procedures for holding an election under this section.