

By: Perry

S.B. No. 68

A BILL TO BE ENTITLED

AN ACT

relating to the extension of additional state aid for tax reduction provided to certain school districts.

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

ARTICLE 1. EXTENSION OF ADDITIONAL STATE AID FOR TAX REDUCTION

SECTION 1.01. Section 42.2516(c-1), Education Code, is amended to read as follows:

(c-1) Revenue generated by the portion of a district's maintenance and operations tax rate included in calculating the district's compressed tax rate under Section 42.101(a-1) and local share under Section 42.252(a-1) is included in determining the amount to which a district is entitled under this section, but may not increase the total amount of revenue per weighted student to which the district is entitled under this section. This subsection expires September 1, 2023 [~~2017~~].

SECTION 1.02. Section 42.2518(a), Education Code, is amended to read as follows:

(a) For the 2015-2016 through 2022-2023 [~~and 2016-2017~~] school years, a school district is entitled to additional state aid to the extent that state and local revenue under this chapter and Chapter 41 is less than the state and local revenue that would have been available to the district under Chapter 41 and this chapter as those chapters existed on September 1, 2015, if the increase in the residence homestead exemption under Section 1-b(c), Article VIII,

1 Texas Constitution, and the additional limitation on tax increases  
2 under Section 1-b(d) of that article as proposed by S.J.R. 1, 84th  
3 Legislature, Regular Session, 2015, had not occurred.

4 SECTION 1.03. Effective September 1, 2023, Section  
5 42.2518(a), Education Code, is amended to read as follows:

6 (a) Beginning with the 2023-2024 school year [~~For the~~  
7 ~~2015-2016 and 2016-2017 school years~~], a school district is  
8 entitled to additional state aid to the extent that state and local  
9 revenue under this chapter and Chapter 41 is less than the state and  
10 local revenue that would have been available to the district under  
11 Chapter 41 and this chapter as those chapters existed on September  
12 1, 2015, excluding any state aid that would have been provided under  
13 former Section 42.2516, if the increase in the residence homestead  
14 exemption under Section 1-b(c), Article VIII, Texas Constitution,  
15 and the additional limitation on tax increases under Section 1-b(d)  
16 of that article as proposed by S.J.R. 1, 84th Legislature, Regular  
17 Session, 2015, had not occurred.

18 SECTION 1.04. Notwithstanding Chapter 4 (S.B. 1), Acts of  
19 the 82nd Legislature, 1st Called Session, 2011, the following  
20 provisions are effective September 1, 2023:

21 (1) Section 57.03, Chapter 4 (S.B. 1), Acts of the 82nd  
22 Legislature, 1st Called Session, 2011, which amended Section  
23 12.106(a), Education Code;

24 (2) Section 57.18, Chapter 4 (S.B. 1), Acts of the 82nd  
25 Legislature, 1st Called Session, 2011, which amended the heading to  
26 Section 42.2516, Education Code;

27 (3) Section 57.19, Chapter 4 (S.B. 1), Acts of the 82nd

1 Legislature, 1st Called Session, 2011, which amended Section  
2 42.2516(a), Education Code;

3 (4) Section 57.23, Chapter 4 (S.B. 1), Acts of the 82nd  
4 Legislature, 1st Called Session, 2011, which amended Section  
5 42.253(h), Education Code;

6 (5) Section 57.29, Chapter 4 (S.B. 1), Acts of the 82nd  
7 Legislature, 1st Called Session, 2011, which amended Section  
8 26.08(i), Tax Code;

9 (6) Section 57.32(a), Chapter 4 (S.B. 1), Acts of the  
10 82nd Legislature, 1st Called Session, 2011, which repealed various  
11 provisions of the Education Code; and

12 (7) Section 57.32(b), Chapter 4 (S.B. 1), Acts of the  
13 82nd Legislature, 1st Called Session, 2011, which repealed Sections  
14 26.08(i-1) and (j), Tax Code.

15 SECTION 1.05. Section 42.2518(e), Education Code, is  
16 repealed.

17 SECTION 1.06. Section 18, Chapter 465 (S.B. 1), Acts of the  
18 84th Legislature, Regular Session, 2015, which added Section  
19 42.2518, Education Code, effective September 1, 2017, is repealed.

20 ARTICLE 2. PROVISION OF ADDITIONAL STATE AID FOR TAX REDUCTION

21 SECTION 2.01. Subchapter E, Chapter 42, Education Code, is  
22 amended by adding Section 42.25162 to read as follows:

23 Sec. 42.25162. ADDITIONAL STATE AID FOR TAX REDUCTION. (a)  
24 A school district is entitled to the additional state aid for the  
25 2017-2018 through 2022-2023 school years that would have been  
26 provided to the district for those school years under Section  
27 42.2516, as that section existed on January 1, 2017, based on the

1 percentage reduction for purposes of former Section 42.2516(i)  
2 established by appropriation for the 2016-2017 school year.

3 (b) Additional funding to which a school district is  
4 entitled under Section 42.2523 or 42.2524 is in addition to the  
5 amount of funding to which the district is entitled under this  
6 section.

7 (c) For purposes of Section 26.08(i), Tax Code, state funds  
8 distributed to a district under this section are included.

9 (d) The commissioner shall adopt rules necessary to  
10 implement this section.

11 (e) This section expires September 1, 2023.

12 SECTION 2.02. Section 42.2518(a), Education Code, as  
13 effective September 1, 2017, is amended to read as follows:

14 (a) Beginning with the 2017-2018 school year, a school  
15 district is entitled to additional state aid to the extent that  
16 state and local revenue under this chapter and Chapter 41 is less  
17 than the state and local revenue that would have been available to  
18 the district under Chapter 41 and this chapter as those chapters  
19 existed on September 1, 2015, [~~excluding any state aid that would~~  
20 ~~have been provided under former Section 42.2516,~~] if the increase  
21 in the residence homestead exemption under Section 1-b(c), Article  
22 VIII, Texas Constitution, and the additional limitation on tax  
23 increases under Section 1-b(d) of that article as proposed by  
24 S.J.R. 1, 84th Legislature, Regular Session, 2015, had not  
25 occurred.

26 SECTION 2.03. Effective September 1, 2023, Section  
27 42.2518(a), Education Code, as effective September 1, 2017, is

1 amended to read as follows:

2 (a) Beginning with the 2023-2024 [~~2017-2018~~] school year, a  
3 school district is entitled to additional state aid to the extent  
4 that state and local revenue under this chapter and Chapter 41 is  
5 less than the state and local revenue that would have been available  
6 to the district under Chapter 41 and this chapter as those chapters  
7 existed on September 1, 2015, excluding any state aid that would  
8 have been provided under former Section 42.25162 [~~42.2516~~], if the  
9 increase in the residence homestead exemption under Section 1-b(c),  
10 Article VIII, Texas Constitution, and the additional limitation on  
11 tax increases under Section 1-b(d) of that article as proposed by  
12 S.J.R. 1, 84th Legislature, Regular Session, 2015, had not  
13 occurred.

14 ARTICLE 3. EFFECTIVE DATE

15 SECTION 3.01. (a) Except as otherwise provided by this  
16 subsection, this Act takes effect immediately if it receives a vote  
17 of two-thirds of all the members elected to each house, as provided  
18 by Section 39, Article III, Texas Constitution. If this Act takes  
19 effect immediately, Article 2 of this Act has no effect.

20 (b) If this Act does not receive the vote necessary for  
21 immediate effect, this Act, except as otherwise provided by this  
22 subsection, takes effect on the 91st day after the last day of the  
23 legislative session. If this Act takes effect on the 91st day after  
24 the last day of the legislative session, Article 1 of this Act has  
25 no effect.