

By: Huffines, Hall
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S.B. No. 1122

A BILL TO BE ENTITLED

AN ACT

1
2 relating to abolishing certain county boards of education, boards
3 of county school trustees, and offices of county school
4 superintendent.

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

6 SECTION 1. (a) Each county board of education, board of
7 county school trustees, and office of county school superintendent
8 in a county with a population of 2.2 million or more and that is
9 adjacent to a county with a population of more than 800,000 is
10 abolished effective November 15, 2017, unless the continuation of
11 the county board of education, board of county school trustees, and
12 office of county school superintendent is approved by a majority of
13 voters at an election held on the November 2017 uniform election
14 date in the county in which the county board of education, board of
15 county school trustees, and office of county school superintendent
16 are located. Subsections (b)-(q) of this section do not take effect
17 in a county if the continuation of the county board of education,
18 board of county school trustees, and office of county school
19 superintendent is approved at the election held in the county under
20 this subsection.

21 (b) Not later than November 15, 2017, a dissolution
22 committee shall be formed for each county board of education or
23 board of county school trustees to be abolished as provided by
24 Subsection (a) of this section. The dissolution committee is

1 responsible for all financial decisions for each county board of
2 education or board of county school trustees abolished by this Act,
3 including asset distribution and payment of all debt obligations.

4 (c) A dissolution committee required by this Act shall be
5 appointed by the comptroller and include:

6 (1) one financial advisor;

7 (2) the superintendent of the participating component
8 school district with the largest number of students in average
9 daily attendance or the superintendent's designee;

10 (3) one certified public accountant;

11 (4) one auditor who holds a license or other
12 professional credential; and

13 (5) one bond counsel who holds a license or other
14 professional credential.

15 (d) A dissolution committee created under this Act is
16 subject to the open meetings requirements under Chapter 551,
17 Government Code, and public information requirements under Chapter
18 552, Government Code.

19 (e) Members of a dissolution committee may not receive
20 compensation but are entitled to reimbursement for actual and
21 necessary expenses incurred in performing the functions of the
22 dissolution committee.

23 (f) Subject to the other requirements of this Act, the
24 dissolution committee shall determine the manner in which all
25 assets, liabilities, contracts, and services of the county board of
26 education or board of county school trustees abolished by this Act
27 are divided, transferred, or discontinued. The dissolution

1 committee shall create a sinking fund to deposit all money received
2 in the abolishment of each county board of education or board of
3 county school trustees for the payment of all debts of the county
4 board of education or board of county school trustees.

5 (g) The dissolution committee shall continue providing
6 transportation services to participating component school
7 districts for the 2017-2018 school year. The dissolution committee
8 shall maintain current operations and personnel needed to provide
9 the transportation services.

10 (h) At the end of the 2017-2018 school year all school
11 buses, vehicles, and bus service centers shall be transferred to
12 participating component school districts in proportionate shares
13 equal to the proportion that the membership in each district bears
14 to total membership in the county as of September 1, 2018, at no
15 cost to the districts.

16 (i) The dissolution committee may employ for the 2017-2018
17 school year one person to assist in the abolishment of the county
18 board of education or board of county school trustees.

19 (j) On September 1, 2017, the participating component
20 school district with the largest number of students in average
21 daily attendance has the right of first refusal to buy, at fair
22 market value, the administrative building of the county board of
23 education or board of county school trustees.

24 (k) An ad valorem tax assessed by a county board of
25 education or board of county school trustees shall continue to be
26 assessed by the county on behalf of the board for the purpose of
27 paying the principal of and interest on any bonds issued by the

1 county board of education or board of county school trustees until
2 all bonds are paid in full. This subsection applies only to a bond
3 issued before the effective date of this Act for which the tax
4 receipts were obligated. On payment of all bonds issued by the
5 county board of education or board of county school trustees the ad
6 valorem tax may not be assessed.

7 (1) In the manner provided by rule of the commissioner of
8 education, the county shall collect and use any delinquent taxes
9 imposed by or on behalf of the county board of education or board of
10 county school trustees.

11 (m) The dissolution committee shall distribute the assets
12 remaining after discharge of the liabilities of the county board of
13 education or board of county school trustees to the component
14 school districts in the county in proportionate shares equal to the
15 proportion that the membership in each district bears to total
16 membership in the county as of September 1, 2017. The dissolution
17 committee shall liquidate board assets as necessary to discharge
18 board liabilities and facilitate the distribution of assets. A
19 person authorized by the dissolution committee shall execute any
20 documents necessary to complete the transfer of assets,
21 liabilities, or contracts.

22 (n) The dissolution committee shall encourage the component
23 school districts to:

24 (1) continue sharing services received through the
25 county board of education or board of county school trustees; and

26 (2) give preference to private sector contractors to
27 continue services provided by the county board of education or

1 board of county school trustees.

2 (o) The chief financial officer and financial advisor for
3 the county board of education or board of county school trustees
4 shall provide assistance to the dissolution committee in abolishing
5 the county board of education or board of county school trustees.

6 (p) The Texas Education Agency shall provide assistance to a
7 dissolution committee in the distribution of assets, liabilities,
8 contracts, and services of a county board of education or board of
9 county school trustees abolished by this Act.

10 (q) Any dissolution committee created as provided by this
11 Act is abolished on the date all debt obligations of the county
12 board of education or board of county school trustees are paid in
13 full and all assets distributed to component school districts.

14 SECTION 2. Chapter 266 (S.B. 394), Acts of the 40th
15 Legislature, Regular Session, 1927 (Article [2700a](#), Vernon's Texas
16 Civil Statutes), is repealed.

17 SECTION 3. This Act takes effect September 1, 2017.