

By: Huffines, Hall, Taylor of Collin

S.B. No. 1122

A BILL TO BE ENTITLED

1 AN ACT  
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 600,000 is  
10 abolished effective September 1, 2018.

11 (b) Not later than September 1, 2017, a dissolution  
12 committee shall be formed for each county board of education or  
13 board of county school trustees to be abolished as provided by  
14 Subsection (a) of this section. The dissolution committee is  
15 responsible for all financial decisions for each county board of  
16 education or board of county school trustees abolished by this Act,  
17 including asset distribution and payment of all debt obligations.

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

20 (1) one financial advisor;

21 (2) one chief financial officer employed by a school  
22 district located in the same county as the county board of education  
23 or board of county school trustees for which the dissolution  
24 committee is formed; and

1           (3) one certified public accountant.

2           (d) A dissolution committee created under this Act is  
3 subject to the open meetings requirements under Chapter 551,  
4 Government Code, and public information requirements under Chapter  
5 552, Government Code.

6           (e) Members of a dissolution committee may not receive  
7 compensation but are entitled to reimbursement for actual and  
8 necessary expenses incurred in performing the functions of the  
9 dissolution committee.

10          (f) The dissolution committee shall determine the manner in  
11 which all assets, liabilities, contracts, and services of the  
12 county board of education or board of county school trustees  
13 abolished by this Act are divided, transferred, or discontinued.  
14 The dissolution committee shall create a sinking fund to deposit  
15 all money received in the abolishment of each county board of  
16 education or board of county school trustees for the payment of all  
17 debts of the county board of education or board of county school  
18 trustees.

19          (g) An ad valorem tax assessed by a county board of  
20 education or board of county school trustees shall continue to be  
21 assessed by the county on behalf of the board for the purpose of  
22 paying the principal of and interest on any bonds issued by the  
23 county board of education or board of county school trustees until  
24 all bonds are paid in full. This subsection applies only to a bond  
25 issued before the effective date of this Act for which the tax  
26 receipts were obligated. On payment of all bonds issued by the  
27 county board of education or board of county school trustees the ad

1 valorem tax may not be assessed.

2 (h) In the manner provided by rule of the commissioner of  
3 education, the county shall collect and use any delinquent taxes  
4 imposed by or on behalf of the county board of education or board of  
5 county school trustees.

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

17 (j) The dissolution committee shall encourage the component  
18 school districts to:

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

21 (2) give preference to private sector contractors to  
22 continue services provided by the county board of education or  
23 board of county school trustees.

24 (k) The chief financial officer and financial advisor for  
25 the county board of education or board of county school trustees  
26 shall provide assistance to the dissolution committee in abolishing  
27 the county board of education or board of county school trustees.

1           (1) The Texas Education Agency shall provide assistance to a  
2 dissolution committee in the distribution of assets, liabilities,  
3 contracts, and services of a county board of education or board of  
4 county school trustees abolished by this Act.

5           (m) Any dissolution committee created as provided by this  
6 Act is abolished on the date all debt obligations of the county  
7 board of education or board of county school trustees are paid in  
8 full and all assets distributed to component school districts.

9           (n) For purposes of Subsection (c) of this section,  
10 "financial advisor" includes a person or business entity who acts  
11 as a financial advisor, financial consultant, money or investment  
12 manager, or broker.

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

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