

1-1 By: Taylor of Galveston S.B. No. 1267
 1-2 (In the Senate - Filed March 3, 2017; March 13, 2017, read
 1-3 first time and referred to Committee on Education; April 26, 2017,
 1-4 reported favorably by the following vote: Yeas 10, Nays 0;
 1-5 April 26, 2017, sent to printer.)

1-6 COMMITTEE VOTE

| | Yea | Nay | Absent | PNV |
|-------------------------|-----|-----|--------|-----|
| 1-7 Taylor of Galveston | X | | | |
| 1-8 Lucio | X | | | |
| 1-9 Bettencourt | X | | | |
| 1-10 Campbell | X | | | |
| 1-11 Hall | X | | | |
| 1-12 Huffines | X | | | |
| 1-13 Hughes | X | | | |
| 1-14 Seliger | X | | | |
| 1-15 Taylor of Collin | X | | | |
| 1-16 Uresti | X | | | |
| 1-17 West | | | X | |

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to school district ad valorem tax rates.
 1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-23 SECTION 1. Section 26.08, Tax Code, is amended by adding
 1-24 Subsections (q) and (r) to read as follows:
 1-25 (q) This subsection applies only to a school district
 1-26 described by Subsection (n) whose adopted tax rate was approved at
 1-27 an election under this section in the 2006 tax year or any
 1-28 subsequent tax year. Notwithstanding Subsection (n), for purposes
 1-29 of this section, the rollback tax rate of the school district is the
 1-30 higher of:
 1-31 (1) the amount computed under Subsection (n); or
 1-32 (2) the sum of the following:
 1-33 (A) the highest maintenance and operations tax
 1-34 rate adopted by the district for the 2007 tax year or any subsequent
 1-35 tax year in which the adopted tax rate of the district was approved
 1-36 at an election under this section; and
 1-37 (B) the district's current debt rate.
 1-38 (r) Subsection (q) applies to a school district only if the
 1-39 district has adopted a tax rate equal to or higher than the rate
 1-40 provided by that subsection for any tax year in the preceding 10 tax
 1-41 years.
 1-42 SECTION 2. (a) The comptroller of public accounts shall
 1-43 conduct a study to determine:
 1-44 (1) the number of school districts that adopt an ad
 1-45 valorem tax rate for the tax year in which this Act takes effect
 1-46 that is lower than the district's ad valorem tax rate for the tax
 1-47 year preceding that tax year and then, for the tax year following
 1-48 the tax year in which this Act takes effect, adopt an ad valorem tax
 1-49 rate that is higher than the district's ad valorem tax rate for the
 1-50 tax year in which this Act takes effect; and
 1-51 (2) the number of school districts that adopted an ad
 1-52 valorem tax rate for the second tax year preceding the tax year in
 1-53 which this Act takes effect that was lower than the district's ad
 1-54 valorem tax rate for the tax year preceding that tax year and then,
 1-55 for the tax year preceding the tax year in which this Act takes
 1-56 effect, adopted an ad valorem tax rate that was higher than the
 1-57 district's ad valorem tax rate for the second tax year preceding the
 1-58 tax year in which this Act takes effect.
 1-59 (b) The comptroller of public accounts shall report the
 1-60 results of the study conducted under this section to each member of
 1-61 the legislature not later than December 1, 2019.

2-1 SECTION 3. (a) The change in law made by this Act applies
2-2 to the ad valorem tax rate of a school district beginning with the
2-3 2017 tax year, except as provided by Subsection (b) of this section.

2-4 (b) If the governing body of a school district adopted an ad
2-5 valorem tax rate for the school district for the 2017 tax year
2-6 before the effective date of this Act, the change in law made by
2-7 this Act applies to the ad valorem tax rate of that school district
2-8 beginning with the 2018 tax year, and the law in effect when the tax
2-9 rate was adopted applies to the 2017 tax year with respect to that
2-10 school district.

2-11 SECTION 4. This Act takes effect immediately if it receives
2-12 a vote of two-thirds of all the members elected to each house, as
2-13 provided by Section 39, Article III, Texas Constitution. If this
2-14 Act does not receive the vote necessary for immediate effect, this
2-15 Act takes effect September 1, 2017.

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