By:  Krause H.B. No. 4603

A BILL TO BE ENTITLED

AN ACT

relating to the allocation and deposit of certain surplus state revenue to the property tax relief fund for use in reducing school district maintenance and operations ad valorem taxes and providing compensation for teachers, counselors, and librarians employed in public schools.

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

SECTION 1.  Section 403.109, Government Code, is amended by adding Subsections (e) and (f) to read as follows:

(e)  The comptroller shall:

(1)  allocate for deposit to the credit of the general revenue fund in an amount equal one-half of the unencumbered positive balance of general revenues on the last day of the preceding state fiscal biennium; and

(2)  75 percent of the one-half of the unencumbered positive balance of the general revenues may be used only to provide ad valorem tax relief by reducing school district maintenance and operations ad valorem tax rates; and

(3)  25 percent of the one-half of the unencumbered positive balance of the general revenues may be used only to provide compensation for teachers, counselors, and librarians employed in public schools; and

(4)  periodically deposit to the credit of the fund the general revenue allocated under Subdivision (1), with the final deposit for that biennium to be made not later than the 90th day of the next state fiscal biennium.

(f)  Notwithstanding any other provision of this section, money deposited to the credit of the fund under Subsection (e) may be appropriated only to the Texas Education Agency for use in:

(1)  providing property tax relief through reduction other state compression percentage, as defined by Section 42.2516(a), Education Code.

(2)  providing compensation for teachers, counselors, and librarians employed in public schools.

SECTION 2.  This Act applies beginning with the state fiscal biennium beginning September 1, 2021.

SECTION 4.  This Act takes effect January 1, 2020, but only if the constitutional amendment proposed by the 86th Legislature, Regular Session, 2019, limiting the rate of growth of appropriations and the use of surplus state revenue to provide for property tax relief and public school teacher compensation. If that amendment is not approved by the voters, this Act has no effect.