

By: West

S.B. No. 2018

A BILL TO BE ENTITLED

AN ACT

1
2 relating to abolishing a dissolution committee established to
3 abolish certain county boards of education or boards of county
4 school trustees and appointing commissioners courts to assume the
5 duties of the dissolution committee.

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

7 SECTION 1. Section 15.001, Chapter 967 (S.B. 2065), Acts of
8 the 85th Legislature, Regular Session, 2017, is amended by amending
9 Subsections (b), (n), and (s) and adding Subsections (t), (u), (v),
10 (w), (x), (y), and (z) to read as follows:

11 (b) If on the effective date of this Act there is an existing
12 contract for transportation services to which a county board of
13 education, board of county school trustees, or office of county
14 school superintendent is a party, it shall be wound down in the
15 manner described by Subsections (c)-(z) [~~(e)-(r)~~] of this section.

16 (n) The [~~In the manner provided by rule of the commissioner~~
17 ~~of education, the~~] county shall collect and use any delinquent
18 taxes imposed by or on behalf of the county board of education or
19 board of county school trustees for payment of debt described by
20 Subsection (t) of this section. On completion of payment of all
21 debt described by Subsection (t) of this section, any delinquent
22 taxes collected under this subsection must be distributed on a
23 proportionate basis to the school districts in the county, based on
24 the percentage of each district's number of enrolled students in

1 the county to all students enrolled in the county in the school year
2 immediately preceding the year of the distribution.

3 (s) Any dissolution committee created as provided by this
4 Act is abolished on September 1, 2019, and all duties and
5 obligations of the committee are transferred to the commissioners
6 court of the county in which the county board of education or board
7 of county school trustees was located. On September 1, 2019, the
8 commissioners court assumes control of and responsibility for
9 administering all assets, liabilities, debts, contracts, and other
10 obligations of the county board of education, board of county
11 school trustees, or dissolution committee and shall take control of
12 any funds of the dissolution committee, including any sinking fund
13 created by the dissolution committee as provided by Subsection (h)
14 of this section. Any liability, debt, contract, or other
15 obligation of the county board of education, board of county school
16 trustees, or dissolution committee transferred to the county as
17 provided by this subsection may only be paid from the tax levied
18 under Subsection (t) of this section, the sinking fund created
19 under Subsection (h) of this section, and any funds transferred
20 from the committee to the commissioners court. County assets,
21 including tax revenue funds, may not be used to pay, and are not
22 subject to, any liability, debt, contract, or other obligation
23 transferred to the commissioners court under this subsection [~~the~~
24 ~~date all debt obligations of the county board of education or board~~
25 ~~of county school trustees are paid in full and all assets~~
26 ~~distributed to component school districts)].~~

27 (t) The commissioners court shall continue to assess, levy,

1 and collect any ad valorem tax adopted by the county board of
2 education, board of county school trustees, or dissolution
3 committee. The commissioners court shall continue to levy the tax
4 annually at the rate of one cent per \$100 of ad valorem valuation,
5 as previously adopted by the dissolution committee, until all debt
6 of the county board of education or board of county school trustees
7 described in a final judgment of a district court in litigation
8 between the dissolution committee and the county is discharged in
9 accordance with the terms of that judgment. Notwithstanding
10 Section 44.004, Education Code, Chapter 26, Tax Code, or any other
11 law, the commissioners court is not required to calculate a rate,
12 publish notice of a budget and tax rate hearing, conduct a hearing,
13 or take any other action each year to assess, levy, and collect the
14 tax authorized by this subsection. To the extent this subsection
15 conflicts with Subsection (m) of this section, this subsection
16 prevails.

17 (u) The commissioners court may deduct from the proceeds of
18 the ad valorem tax assessed, levied, and collected by the
19 commissioners court under Subsection (t) of this section a
20 reasonable and proportionate share for the administrative costs of
21 collecting the tax.

22 (v) The commissioners court shall pay all other debts or
23 claims not described by Subsection (t) of this section, including
24 claims for workers' compensation and unemployment compensation
25 filed on or before September 1, 2019, from funds reserved and
26 retained by the dissolution committee for that purpose.

27 (w) All claims against the county board of education, board

1 of county school trustees, or dissolution committee not filed on or
2 before September 1, 2019, are barred. A lawsuit may not be filed
3 against the county board of education, board of county school
4 trustees, or dissolution committee after September 1, 2019. This
5 provision takes precedence over any other statute of limitations.

6 (x) The commissioners court may use funds described by
7 Subsection (v) of this section to perform the duties related to the
8 abolishment of the dissolution committee and the administration of
9 the assets, liabilities, debts, contracts, or other obligations
10 transferred to the commissioners court, including:

11 (1) paying reasonable administrative expenses,
12 including legal fees and expenses incurred by the county or any
13 third party; and

14 (2) employing or contracting with any person needed to
15 assist with the abolishment and dissolution of the county board of
16 education, board of county school trustees, or dissolution
17 committee and the administration of the assets, liabilities, debts,
18 contracts, or other obligations transferred to the commissioners
19 court.

20 (y) On completion of payment of all debt as provided by
21 Subsection (t) of this section and any other debts or claims under
22 Subsection (v) of this section, any remaining money must be
23 distributed on a proportionate basis to the school districts in the
24 county, based on the percentage of each district's number of
25 enrolled students in the county to all students enrolled in the
26 county in the school year immediately preceding the year of the
27 distribution. To the extent this subsection conflicts with

1 Subsection (o) of this section, this subsection prevails.

2 (z) An ad valorem tax imposed under Subsection (t) of this
3 section is not considered to be an ad valorem tax imposed by the
4 county in which the county board of education, board of county
5 school trustees, or dissolution committee is located for purposes
6 of any constitutional or statutory limit on the ad valorem tax rate
7 of the county.

8 SECTION 2. Section 18, Chapter 925 (S.B. 1566), Acts of the
9 85th Legislature, Regular Session, 2017, is repealed.

10 SECTION 3. This Act takes effect immediately if it receives
11 a vote of two-thirds of all the members elected to each house, as
12 provided by Section 39, Article III, Texas Constitution. If this
13 Act does not receive the vote necessary for immediate effect, this
14 Act takes effect September 1, 2019.