

AN ACT

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

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

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

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

(n) The [~~In the manner provided by rule of the commissioner of education, the~~] county shall collect and use any delinquent taxes imposed by or on behalf of the county board of education or board of county school trustees for payment of debt described by Subsection (t) of this section. On completion of payment of all debt described by Subsection (t) of this section, any delinquent taxes collected under this subsection must be distributed on a proportionate basis to the school districts in the county, based on 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, only until all
6 debt of the county board of education or board of county school
7 trustees described in a final judgment of a district court in
8 litigation between the dissolution committee and the county is
9 discharged in accordance with the terms of that judgment.
10 Notwithstanding Section 44.004, Education Code, Chapter 26, Tax
11 Code, or any other law, the commissioners court is not required to
12 calculate a rate, publish notice of a budget and tax rate hearing,
13 conduct a hearing, or take any other action each year to assess,
14 levy, and collect the tax authorized by this subsection.

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

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

25 (w) All claims against the county board of education, board
26 of county school trustees, or dissolution committee not filed on or
27 before September 1, 2019, are barred. A lawsuit may not be filed

1 against the county board of education, board of county school
2 trustees, or dissolution committee after September 1, 2019. This
3 provision takes precedence over any other statute of limitations.

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

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

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

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

27 (z) An ad valorem tax imposed under Subsection (t) of this

1 section is not considered to be an ad valorem tax imposed by the
2 county in which the county board of education, board of county
3 school trustees, or dissolution committee is located for purposes
4 of any constitutional or statutory limit on the ad valorem tax rate
5 of the county.

6 SECTION 2. Section 18, Chapter 925 (S.B. 1566), Acts of the
7 85th Legislature, Regular Session, 2017, is repealed.

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

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 2018 passed the Senate on April 17, 2019, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 21, 2019, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 2018 passed the House, with amendment, on May 14, 2019, by the following vote: Yeas 141, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor