By:  Bettencourt, et al. S.B. No. 91

A BILL TO BE ENTITLED

AN ACT

relating to a temporary reduction in the maximum compressed tax rate of a school district and the form of the ballot proposition to be used in an election to approve a tax rate adopted by a school district that exceeds the district's voter-approval tax rate; making an appropriation.

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

SECTION 1.  Subchapter F, Chapter 48, Education Code, is amended by adding Section 48.2555 to read as follows:

Sec. 48.2555.  MAXIMUM COMPRESSED TAX RATE FOR 2022-2023 SCHOOL YEAR. (a) Notwithstanding any other provision of this title or Chapter 26, Tax Code, for the 2022-2023 school year, the commissioner shall calculate the value of a school district's maximum compressed tax rate by determining the district's maximum compressed rate under Section 48.2551 or 48.2552(b), if applicable, and reducing the tax rate determined under the applicable section by the amount by which the commissioner may reduce each district's maximum compressed tax rate by an equal amount using funds appropriated for the purpose of reducing each district's maximum compressed tax rate under this section.

(b)  If a school district's maximum compressed tax rate as calculated under Subsection (a) would be less than 90 percent of another school district's maximum compressed tax rate under Subsection (a), the district's maximum compressed tax rate is the value at which the district's maximum compressed tax rate would be equal to 90 percent of the other district's maximum compressed tax rate.

(c)  Notwithstanding any other provision of this title or Chapter 26, Tax Code, for purposes of determining funding for school districts for the 2022-2023 school year, a reference in any of the following provisions of law to a school district's maximum compressed tax rate or maximum compressed rate as determined under Section 48.2551 means the maximum compressed tax rate determined for the district under this section:

(1)  Sections 13.054(f) and (f-1);

(2)  Section 45.003(d);

(3)  Section 45.0032(a);

(4)  Section 48.051(a);

(5)  Sections 48.2553(a) and (e); and

(6)  Section 26.08(n), Tax Code.

(d)  For purposes of Section 30.003(f-1), a reference in that section to Section 48.2551 includes this section.

(e)  Notwithstanding any other provision of this title, for purposes of determining a school district's maximum compressed tax rate under Section 48.2551 for the 2023-2024 school year, the commissioner shall exclude the reduction in the district's maximum compressed tax rate under this section for the preceding school year from the value of the district's "PYMCR."

(f)  This section expires September 1, 2024.

SECTION 2.  Effective January 1, 2022, Section 26.08(b), Tax Code, is amended to read as follows:

(b)  The governing body shall order that the election be held in the school district on the next uniform election date prescribed by Section 41.001, Election Code, that occurs after the date of the election order and that allows sufficient time to comply with the requirements of other law.  At the election, the ballots shall be prepared to permit voting for or against the proposition:  "Ratifying the ad valorem tax rate of \_\_\_ (insert adopted tax rate) in (name of school district) for the current year, a rate that will result in an increase of \_\_\_\_\_ (insert percentage increase in maintenance and operations tax revenue under the adopted tax rate as compared to maintenance and operations tax revenue in the preceding tax year) percent in maintenance and operations tax revenue for the district for the current year as compared to the preceding year, which is an additional $\_\_\_\_ (insert dollar amount of increase in maintenance and operations tax revenue under the adopted tax rate as compared to maintenance and operations tax revenue in the preceding tax year). If the adopted tax rate is not ratified, the (name of school district) may not adopt a tax rate that exceeds \_\_\_\_ (insert the school district's voter-approval tax rate)."

SECTION 3.  (a) Not later than June 1, 2022, the comptroller of public accounts shall prepare and provide to the legislature an update of the biennial revenue estimate prepared in accordance with Section 49a, Article III, Texas Constitution, and provided to the legislature in January 2021. The update must include the difference between the estimated balance of general revenue-related funds available for certification at the end of the state fiscal year ending August 31, 2023, as determined under:

(1)  the update required under this subsection; and

(2)  the comptroller's biennial revenue estimate update provided to the legislature in August 2021.

(b)  In addition to other amounts appropriated to the Texas Education Agency for the state fiscal year ending August 31, 2023, an amount equal to the lesser of $4 billion or the sum of $2 billion and 50 percent of the amount, if any, by which the difference determined under Subsection (a) of this section exceeds $500 million is appropriated from the general revenue fund to the agency for the state fiscal year ending August 31, 2023, for use in providing school district property tax relief by reducing each school district's maximum compressed tax rate under Section 48.2555, Education Code, as added by this Act.

SECTION 4.  Except as otherwise provided by this Act:

(1)  this Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution; and

(2)  if this Act does not receive the vote necessary for immediate effect, this Act takes effect on the 91st day after the last day of the legislative session.