

## **BILL ANALYSIS**

H.B. 90  
By: Oliverson  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Many property owners across the state are facing high property taxes. Some of the largest property tax bills are for school district maintenance and operations taxes. These taxes can be burdensome for many taxpayers and may even push taxpayers out of their homes or businesses. H.B. 90 seeks to address this issue by using certain surplus state funds to increase state school district funding and reduce local property tax rates.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 90 amends the Education Code to require the commissioner of education, for each school year, to reduce the state compression percentage used to determine a school district's maximum compressed tax rate to the lowest percentage possible as a result of the following:

- money deposited to the credit of the property tax relief fund under the bill's provisions; and
- any additional money appropriated for reducing the state compression percentage.

H.B. 90 establishes the following if the commissioner determines for any school year that the state compression percentage is zero:

- a school district is prohibited from imposing a tier one maintenance and operations (M&O) tax for that school year or for any subsequent school year; and
- each school district is entitled to the following:
  - instructional facilities allotment and existing debt allotment funding and related state assistance; and
  - foundation school program funding for each school year as if the district had a tier one M&O tax rate equal to the district's maximum compressed tax rate and no tier one local share.

H.B. 90 amends the Government Code to require the comptroller of public accounts, for each state fiscal biennium beginning before a commissioner determination that the state compression percentage is zero, to allocate and periodically deposit a specified amount of surplus state revenue in that fiscal biennium to the credit of the property tax relief fund. The final deposit for that biennium is to be made not later than the 90th day of the next state fiscal biennium.

H.B. 90 restricts the appropriation of those property tax relief fund deposits to the Texas Education Agency for use in providing property tax relief through reduction of the state compression percentage. If the amount of money available to be appropriated from the fund for the bill's purposes for a state fiscal biennium exceeds the amount of school district M&O taxes the commissioner estimates to be payable for that biennium, the legislature may appropriate the surplus amount for any purpose.

H.B. 90 applies beginning with the state fiscal biennium beginning September 1, 2023.

**EFFECTIVE DATE**

91st day after the last day of the legislative session.