

By: Frank

H.B. No. 108

A BILL TO BE ENTITLED

AN ACT

relating to a temporary reduction in the maximum compressed tax rate of a school district; 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.

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

8            (1) Sections 13.054(f) and (f-1);

9            (2) Section 45.003(d);

10          (3) Section 45.0032(a);

11          (4) Section 48.051(a);

12          (5) Sections 48.2553(a) and (e); and

13          (6) Section 26.08(n), Tax Code.

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

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

22        (f) This section expires September 1, 2024.

23        SECTION 2. In addition to other amounts appropriated to the  
24 Texas Education Agency for the state fiscal year ending August 31,  
25 2023, \$2.5 billion is appropriated from the general revenue fund to  
26 the agency for the state fiscal year ending August 31, 2023, for use  
27 in providing school district property tax relief by reducing each

1 school district's maximum compressed tax rate under Section  
2 48.2555, Education Code, as added by this Act.

3 SECTION 3. This Act takes effect on the 91st day after the  
4 last day of the legislative session.