87R5866 TYPED

By:  Gutierrez S.B. No. 1943

A BILL TO BE ENTITLED

AN ACT

relating to the reduction of school district property taxes as a result of the school facilities allotment.

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

SECTION 1.  The heading to Section 46.009, Education Code, and Subsection (d) is amended to read as follows:

Sec.46.009. REDUCTION OF SCHOOL DISTRICT PROPERTY TAXES AS RESULT [~~PAYMENT~~] OF SCHOOL FACILITY ALLOTMENT [~~FACILITIES ALLOTMENTS~~].

(a)  For each school year, the commissioner shall determine the amount of money to which each school district is entitled under this subchapter.

(b)  If the amount appropriated for purposes of this subchapter for a year is less than the total amount determined under Subsection (a) for that year, the commissioner shall:

(1)  transfer from the Foundation School Program to the instructional facilities program the amount by which the total amount determined under Subsection (a) exceeds the amount appropriated; and

(2)  reduce each district's foundation school fund allocations in the manner provided by Section 42.253(h).

(c)  Warrants for payments under this subchapter shall be approved and transmitted to school district treasurers or depositories in the same manner as warrants for payments under Chapter 42.

(d)  As soon as practicable after September 1 of each year, the commissioner shall distribute to each school district the amount of state assistance under this subchapter to which the commissioner has determined the district is entitled for the school year. The district shall deposit the money in the interest and sinking fund for the bonds for which the assistance is received. ~~and~~ The district shall adopt ~~a~~ and reduce the tax rate for purposes of debt service that takes into account the balance of the interest and sinking fund.

(e)  Section 42.258 applies to payments under this subchapter.

(f)  If a school district would have received a greater amount under this subchapter for the applicable school year using the adjusted value determined under Section 42.257, the commissioner shall add the difference between the adjusted value and the amount the district received under this subchapter to subsequent distributions to the district under this subchapter.

SECTION 2.  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. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.