

Amend CSHB 100 (house committee report) as follows:

(1) On page 27, line 15, strike "Section 48.202(a-1), Education Code, is" and substitute "Sections 48.202(a) and (a-1), Education Code, are".

(2) On page 27, between lines 16 and 17, insert the following:

(a) Each school district is guaranteed a specified amount per weighted student in state and local funds for each cent of tax effort over that required for the district's local fund assignment up to the maximum level specified in this subchapter. The amount of state support, subject only to the maximum amount under Section 48.203, is determined by the formula:

$$\text{GYA} = (\text{GL} \times \text{WADA} \times \text{DTR} \times 100) - \text{LR}$$

where:

"GYA" is the guaranteed yield amount of state funds to be allocated to the district;

"GL" is the dollar amount guaranteed level of state and local funds per weighted student per cent of tax effort, which is an amount described by Subsection (a-1) or a greater amount for any year provided by appropriation;

"WADA" is the number of students in weighted average daily attendance, which is calculated by dividing the sum of the school district's allotments under Subchapters B and C by the basic allotment for the applicable year;

"DTR" is the district enrichment tax rate of the school district, which is determined by subtracting the amounts specified by Subsection (b) from the total amount of maintenance and operations taxes collected by the school district for the applicable school year and dividing the difference by the quotient of the district's taxable value of property as determined under Section 48.013 [~~Subchapter M, Chapter 403, Government Code,~~] or, if applicable, under Section 48.258 or by the quotient of the value of "DPV" as determined under Section 48.256(d) if that subsection applies to the district, divided by 100; and

"LR" is the local revenue, which is determined by multiplying "DTR" by the quotient of the district's taxable value of property as determined under Section 48.013 [~~Subchapter M, Chapter 403,~~

~~Government Code,~~] or, if applicable, under Section 48.258 or by the quotient of the value of "DPV" as determined under Section 48.256(d) if that subsection applies to the district, divided by 100.

(3) On page 31, line 21, strike "12.106(a-2)," and substitute "7.062(a), 12.106(a-2), 13.051(c),".

(4) On page 31, line 21, between "30.003," and "48.051", insert "46.003(a), 46.006(g), 46.032(a), 48.011(a-1), (d), and (e),".

(5) On page 31, line 22, strike "48.202(a-1)," and substitute "48.202(a) and (a-1), 48.2542, 48.255(c), 48.2551(a), 48.256(a) and (b),".

(6) On page 31, line 22, strike "and 48.277(d) and (e)" and substitute "48.271(a), 48.273(a)(4), 48.277(d) and (e), and 49.302(a)".

(7) On page 31, line 24, between "48.0055," and "48.1022", insert "48.013".

(8) Add the following appropriately numbered SECTIONS to Article 1 of the bill and renumber subsequent SECTIONS of the article accordingly:

SECTION 1.____. Section 7.062(a), Education Code, is amended to read as follows:

(a) In this section, "wealth per student" means a school district's taxable value of property as determined under Section 48.013 [~~Subchapter M, Chapter 403, Government Code,~~] or, if applicable, Section 48.258, divided by the district's average daily attendance as determined under Section 48.005.

SECTION 1.____. Section 13.051(c), Education Code, is amended to read as follows:

(c) Territory that does not have residents may be detached from a school district and annexed to another school district if:

(1) the total taxable value of the property in the territory according to the most recent certified appraisal roll for each school district is not greater than:

(A) five percent of the district's taxable value of all property in that district as determined under Section 48.013 [~~Subchapter M, Chapter 403, Government Code~~]; and

(B) \$5,000 property value per student in average daily attendance as determined under Section 48.005; and

(2) the school district from which the property will be detached does not own any real property located in the territory.

SECTION 1.____. Section 46.003(a), Education Code, is amended to read as follows:

(a) For each year, except as provided by Sections 46.005 and 46.006, a school district is guaranteed a specified amount per student in state and local funds for each cent of tax effort, up to the maximum rate under Subsection (b), to pay the principal of and interest on eligible bonds issued to construct, acquire, renovate, or improve an instructional facility. The amount of state support is determined by the formula:

$$\text{FYA} = (\text{FYL} \times \text{ADA} \times \text{BTR} \times 100) - (\text{BTR} \times (\text{DPV}/100))$$

where:

"FYA" is the guaranteed facilities yield amount of state funds allocated to the district for the year;

"FYL" is the dollar amount guaranteed level of state and local funds per student per cent of tax effort, which is \$35 or a greater amount for any year provided by appropriation;

"ADA" is the greater of the number of students in average daily attendance, as determined under Section 48.005, in the district or 400;

"BTR" is the district's bond tax rate for the current year, which is determined by dividing the amount budgeted by the district for payment of eligible bonds by the quotient of the district's taxable value of property as determined under Section 48.013 [~~Subchapter M, Chapter 403, Government Code,~~] or, if applicable, Section 48.258, divided by 100; and

"DPV" is the district's taxable value of property as determined under Section 48.013 [~~Subchapter M, Chapter 403, Government Code,~~] or, if applicable, Section 48.258.

SECTION 1.____. Section 46.006(g), Education Code, is amended to read as follows:

(g) In this section, "wealth per student" means a school district's taxable value of property as determined under Section 48.013 [~~Subchapter M, Chapter 403, Government Code,~~] or, if

applicable, Section 48.258, divided by the district's average daily attendance as determined under Section 48.005.

SECTION 1.____. Section 46.032(a), Education Code, is amended to read as follows:

(a) Each school district is guaranteed a specified amount per student in state and local funds for each cent of tax effort to pay the principal of and interest on eligible bonds. The amount of state support, subject only to the maximum amount under Section 46.034, is determined by the formula:

$$EDA = (EDGL \times ADA \times EDTR \times 100) - (EDTR \times (DPV/100))$$

where:

"EDA" is the amount of state funds to be allocated to the district for assistance with existing debt;

"EDGL" is the dollar amount guaranteed level of state and local funds per student per cent of tax effort, which is the lesser of:

(1) \$40 or a greater amount for any year provided by appropriation; or

(2) the amount that would result in a total additional amount of state funds under this subchapter for the current year equal to \$60 million in excess of the state funds to which school districts would have been entitled under this section if the guaranteed level amount were \$35;

"ADA" is the number of students in average daily attendance, as determined under Section 48.005, in the district;

"EDTR" is the existing debt tax rate of the district, which is determined by dividing the amount budgeted by the district for payment of eligible bonds by the quotient of the district's taxable value of property as determined under Section 48.013 [~~Subchapter M, Chapter 403, Government Code~~] or, if applicable, under Section 48.258, divided by 100; and

"DPV" is the district's taxable value of property as determined under Section 48.013 [~~Subchapter M, Chapter 403, Government Code~~] or, if applicable, under Section 48.258.

SECTION 1.____. Sections 48.011(a-1), (d), and (e), Education Code, are amended to read as follows:

(a-1) The commissioner may modify dates relating to the

adoption of a school district's maintenance and operations tax rate and, if applicable, an election required for the district to adopt that rate as necessary to implement the changes to the Foundation School Program and requirements relating to school district tax rates made by the 88th [~~HB 3, 86th~~] Legislature, Regular Session, 2023 [~~2019~~].

(d) Beginning with the 2026-2027 [~~2021-2022~~] school year, the commissioner may not make an adjustment under Subsection (a) or (a-1).

(e) This section expires September 1, 2027 [~~2023~~].

SECTION 1.____. Subchapter A, Chapter 48, Education Code, is amended by adding Section 48.013 to read as follows:

Sec. 48.013. DETERMINATION OF TAXABLE VALUE OF PROPERTY.
For purposes of Chapter 46 and this chapter, the agency shall determine the taxable value of property of each school district using locally determined property values adjusted in accordance with Section 403.302(d), Government Code.

SECTION 1.____. Section 48.2542, Education Code, is amended to read as follows:

Sec. 48.2542. ADDITIONAL STATE AID FOR ADJUSTMENT OF LIMITATION ON TAX INCREASES ON HOMESTEAD OF ELDERLY OR DISABLED. Notwithstanding any other provision of this chapter, if a school district is not fully compensated through state aid or the calculation of excess local revenue under this chapter based on the determination of the district's taxable value of property under Section 48.013 [~~Subchapter M, Chapter 403, Government Code~~], the district is entitled to additional state aid in the amount necessary to fully compensate the district for the amount of ad valorem tax revenue lost due to a reduction of the amount of the limitation on tax increases provided by Sections 11.26(a-4), (a-5), (a-6), (a-7), (a-8), (a-9), and (a-10), Tax Code, as applicable.

SECTION 1.____. Section 48.255(c), Education Code, is amended to read as follows:

(c) For purposes of Subsection (b)(2):

(1) "SCP" is the state compression percentage;

(2) "PYCP" is the state compression percentage for the preceding school year; and

(3) "ECPV" is the estimated percentage change in total taxable property value for the applicable tax year using the taxable values of property ~~as~~ determined ~~[based on the estimate submitted to the legislature]~~ under Section 48.013 ~~[48.269]~~.

SECTION 1.____. Section 48.2551(a), Education Code, is amended to read as follows:

(a) In this section:

(1) "DPV" is the taxable value of property in the school district, as determined under Section 48.013 ~~[by the agency by rule, using locally determined property values adjusted in accordance with Section 403.302(d), Government Code]~~;

(2) "E" is the expiration of the exclusion of appraised property value for the preceding tax year that is recognized as taxable property value for the current tax year, which is the sum of the following:

(A) property value that is no longer subject to a limitation on appraised value under Chapter 313, Tax Code; and

(B) property value under Section 311.013(n), Tax Code, that is no longer excluded from the calculation of "DPV" from the preceding year because of refinancing or renewal after September 1, 2019;

(3) "MCR" is the district's maximum compressed rate, which is the tax rate for the current tax year per \$100 of valuation of taxable property at which the district must levy a maintenance and operations tax to receive the full amount of the tier one allotment to which the district is entitled under this chapter;

(4) "PYDPV" is the district's value of "DPV" for the preceding tax year; and

(5) "PYMCR" is the district's value of "MCR" for the preceding tax year.

SECTION 1.____. Sections 48.256(a) and (b), Education Code, are amended to read as follows:

(a) Each school district's share of the Foundation School Program is determined by the following formula:

$$\text{LFA} = \text{TR} \times \text{DPV}$$

where:

"LFA" is the school district's local share;

"TR" is the school district's adopted tier one maintenance and operations tax rate, as described by Section 45.0032(a) for each hundred dollars of valuation; and

"DPV" is the taxable value of property in the school district for the current tax year determined under Section 48.013 [~~Subchapter M, Chapter 403, Government Code~~].

(b) The commissioner shall adjust the values determined under Section 48.013 [~~reported by the comptroller~~] to reflect reductions in taxable value of property resulting from natural or economic disaster in the year in which the valuations are determined. The decision of the commissioner is final. An adjustment does not affect the local fund assignment of any other school district.

SECTION 1.____. Section 48.271(a), Education Code, is amended to read as follows:

(a) If the final determination of an appeal under Chapter 42, Tax Code, results in a reduction in the taxable value of property that exceeds five percent of the total taxable value of property in the school district for the same tax year determined under Section 48.013 [~~Subchapter M, Chapter 403, Government Code~~], the commissioner shall request the comptroller to adjust its taxable property value findings for that year consistent with the final determination of the appraisal appeal.

SECTION 1.____. Section 48.273(a)(4), Education Code, is amended to read as follows:

(4) "Wealth per student" means the taxable property values determined under Section 48.013 [~~reported by the comptroller to the commissioner under Section 48.256~~] divided by the number of students in average daily attendance.

SECTION 1.____. Section 49.302(a), Education Code, is amended to read as follows:

(a) For purposes of this subchapter, the taxable value of an individual parcel or other item of property and the total taxable value of property in a school district resulting from the detachment of property from or annexation of property to that district is determined by applying the appraisal ratio for the appropriate category of property determined under Section 48.013

~~[Subchapter M, Chapter 403, Government Code,]~~ for the preceding tax year to the taxable value of the detached or annexed property determined under Title 1, Tax Code, for the preceding tax year.

(9) Strike "Subchapter M, Chapter 403, Government Code," and substitute "Section 48.013 ~~[Subchapter M, Chapter 403, Government Code,]~~" in each of the following places in Article 2 of the bill:

- (A) page 42, lines 13 and 14;
- (B) page 42, line 17;
- (C) page 43, lines 8 and 9;
- (D) page 44, lines 12 and 13; and
- (E) page 44, line 16.