By:  Guillen H.J.R. No. 205

A JOINT RESOLUTION

proposing a constitutional amendment to prohibit the imposition of school district maintenance and operations ad valorem taxes on residence homesteads, to increase the rates of state sales and use taxes and dedicate the revenue attributable to that increase for public education, and to establish and prescribe the permissible uses of the homeowner protection fund.

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

SECTION 1.  Section 3, Article VII, Texas Constitution, is amended by adding Subsection (f) to read as follows:

(f)  Notwithstanding any other provision of this constitution or general law, a school district, other than a junior college district, may not impose an ad valorem tax for maintenance and operations purposes on a person's residence homestead.

SECTION 2.  Article VIII, Texas Constitution, is amended by adding Sections 1-c, 27, and 28 to read as follows:

Sec. 1-c.  (a) The homeowner protection fund is established as a fund in the state treasury.

(b)  The homeowner protection fund may consist of:

(1)  money transferred or appropriated to the fund at the direction of the legislature;

(2)  money that the legislature by statute dedicates for deposit to the credit of the fund; and

(3)  investment earnings and interest earned on amounts in the fund.

(c)  The legislature may appropriate money from the homeowner protection fund only in the event that sufficient revenue is not available to provide for the support and maintenance of an efficient system of public free schools.

(d)  Notwithstanding Subsection (c) of this section, the legislature by general law may provide for a procedure by which money in the homeowner protection fund is transferred to the general revenue fund if the balance of the homeowner protection fund exceeds an amount determined by the legislature. The amount determined by the legislature may not be less than $20 billion. The comptroller of public accounts shall comply with a general law enacted by the legislature under this subsection.

(e)  An appropriation or transfer of money from the homeowner protection fund for a purpose described by Subsection (c) or (d) of this section is not an appropriation of state tax revenues for purposes of Section 22 of this article.

(f)  On January 1, 2024, $20 billion of the unobligated and otherwise unappropriated balance of the general revenue fund is appropriated to the homeowner protection fund established under this section. The appropriation required by this subsection is not an appropriation of state tax revenues for purposes of Section 22 of this article. This subsection expires December 31, 2024.

SECTION 4.  The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 88th Legislature, Regular Session, 2023, to prohibit the imposition of school district maintenance and operations ad valorem taxes on residence homesteads, to increase the rates of state sales and use taxes and dedicate the revenue attributable to that increase for public education, to impose a tax on the transfer of residential real estate, and to establish and prescribe the permissible uses of the homeowner protection fund.

(b)  The amendment takes effect January 1, 2024.

(c)  This temporary provision expires January 1, 2025.

SECTION 5.  This proposed constitutional amendment shall be submitted to the voters at an election to be held November 7, 2023. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to prohibit the imposition of school district maintenance and operations ad valorem taxes on residence homesteads, to increase the rates of state sales and use taxes and dedicate the revenue attributable to that increase for public education, to impose a tax on the transfer of residential real estate, and to establish and prescribe the permissible uses of the homeowner protection fund."