

BILL ANALYSIS

Senate Research Center
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S.B. 2623
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Education K-16
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The proximity of facilities providing homeless services near schools has raised concerns among communities about the safety and well-being of students. While these services are essential to support vulnerable populations, their close proximity to schools requires action to maintain a safe and secure environment for students, families, and communities.

S.B. 2623 would define "school safety zones" as the area included in a 1.5 mile radius from a public school's property line. Within these zones, facilities providing "homeless services" would be prohibited from operating. "Homeless services" are defined in the bill.

The attorney general is tasked with enforcement of violations of the legislation. Offending municipalities or counties would have their sales tax collections halted, a prohibition on adoption of a tax rate over the no-new-revenue rate, and a civil penalty of \$50,000 each day after they have received notice of violation.

The bill also establishes a School Safety Zones Task Force, consisting of representatives from the Department of Public Safety, the Office of the Attorney General, the Texas Education Agency, and the Texas Department of Licensing and Regulation. The task force will identify facilities in school safety zones. A report will be provided not later than January 1 of every odd-numbered year containing recommendations related to the provision of homeless services in a school safety zone.

As proposed, S.B. 2623 amends current law relating to establishment and enforcement of school safety zones and provides a civil penalty.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle C, Title 11, Local Government Code, by adding Chapter 370A, as follows:

CHAPTER 370A. ENFORCEMENT OF SCHOOL SAFETY ZONES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 370A.001. DEFINITIONS. Defines "homeless services," "institution of higher education," "playground," "premises," "school," "provider organization," "school safety zone," and "task force."

SUBCHAPTER B. SCHOOL SAFETY ZONES TASK FORCE

Sec. 370A.051. TASK FORCE. Provides that the school safety zones task force (task force) is established and is composed of four members appointed by the governor, including representing certain entities.

Sec. 370A.052. DUTIES. Requires the task force to identify each facility in this state providing homeless services within 1.5 miles of a school safety zone and, for each facility identified under this section, notify certain entities.

Sec. 370A.053. REPORT. Requires the task force, not later than January 1 of each odd-numbered year, to provide a written report and recommendations relating to the provision of homeless services near school safety zones to the governor, lieutenant governor, and speaker of the house of representatives.

Sec. 370A.054. RECOMMENDATIONS ON LICENSING OF HOMELESS SERVICES FACILITIES. Requires the task force, in consultation with the Texas Department of Licensing and Regulation (TDLR), to develop recommendations on legislation to require a facility providing homeless services to obtain a license from TDLR to operate. Requires that any recommendations developed under this section be included in the task force's initial report under Section 370A.053. Provides that this subsection expires January 1, 2028.

SUBCHAPTER C. HOMELESS SERVICES PROHIBITED NEAR SCHOOL SAFETY ZONES

Sec. 370A.101. APPLICABILITY OF SUBCHAPTER. Provides that this subchapter does not apply to homeless services provided at a location operating as an emergency shelter during a state of disaster declared under Section 418.014 (Declaration of State of Disaster), Government Code, or a local state of disaster declared under Section 418.108 (Declaration of Local Disaster), Government Code.

Sec. 370A.102. PROHIBITION. (a) Prohibits a municipality, county, or provider organization from providing homeless services within 1.5 miles of a school safety zone.

(b) Requires a municipality or county that receives notice under Section 370A.052 of a facility operating within 1.5 miles of a school safety zone, not later than the seventh day after the date the municipality or county receives the notice, if the facility is operated by the municipality or county, to stop providing homeless services at the facility or, if the facility is operated by a provider organization, direct the police or sheriff's department, as applicable, to order the provider organization to stop providing homeless services at the facility.

Sec. 370A.103. ENFORCEMENT: VIOLATION BY PROVIDER ORGANIZATION. (a) Provides that a provider organization that the task force determines has violated Section 370A.102(a) and that does not stop providing homeless services as ordered under Section 370A.102(b) is liable to this state for a civil penalty in an amount not to exceed \$50,000 for each day after the date the organization receives an order under Section 370A.102(b).

(b) Authorizes the attorney general to bring an action to recover a civil penalty under this section and direct the secretary of state to revoke or terminate the organization's registration or certificate of formation.

Sec. 370A.104. ENFORCEMENT: VIOLATION BY MUNICIPALITY OR COUNTY. (a) Defines "no-new-revenue tax rate" and "tax year."

(b) Provides that, notwithstanding any other law, if the attorney general determines that a municipality or county has violated Section 370A.102(a) and has not stopped or ordered a provider organization to stop providing homeless services within the period required by Section 370A.102(b):

(1) the municipality or county is prohibited from adopting an ad valorem tax rate that exceeds the municipality's or county's no-new-revenue tax

rate for the tax year that begins on or after the date of the determination;
and

(2) the attorney general is required to submit written notice to the Comptroller of Public Accounts of the State of Texas (comptroller) instructing the comptroller to withhold any money due to the municipality or county under Section 321.502 (Distribution of Trust Funds) or 323.502 (Distribution of Trust Funds), Tax Code, as applicable, until the attorney general notifies the comptroller that the municipality or county has resolved the violation.

(c) Requires the attorney general to provide to the municipality or county a copy of the notice submitted to the comptroller under Subsection (b)(2).

(d) Requires the attorney general, on the date the attorney general determines the violation has been resolved, to provide written notice of the resolution to the comptroller and the task force.

(e) Prohibits the comptroller from distributing any money to the municipality or county under Section 321.502 or 323.502, Tax Code, as applicable, during the period beginning on the date the comptroller receives the notice under Subsection (b)(2) and ending on the date the comptroller receives the notice described by Subsection (d).

SECTION 2. Amends Section 321.502, Tax Code, as follows:

Sec. 321.502. DISTRIBUTION OF TRUST FUNDS. Requires the comptroller, subject to Section 370A.104, Local Government Code, at least twice during each state fiscal year and at other times as often as feasible, to send to the municipal treasurer or to the person who performs the office of the municipal treasurer payable to the municipality the municipality's share of the taxes collected by the comptroller under Chapter 321 (Municipal Sales and Use Tax Act).

SECTION 3. Amends Section 323.502, Tax Code, as follows:

Sec. 323.502. DISTRIBUTION OF TRUST FUNDS. Requires the comptroller, subject to Section 370A.104, Local Government Code, at least twice during each state fiscal year and at other times as often as feasible, to send to the county treasurer payable to the county the county's share of the taxes collected by the comptroller under Chapter 323 (County Sales and Use Tax Act).

SECTION 4. Requires the governor, as soon as practicable after the effective date of this Act, to appoint members to the school safety zones task force established by Section 370A.051, Local Government Code, as added by this Act.

SECTION 5. Effective date: September 1, 2025.