89R4829 PRL-D

By:  Bettencourt S.B. No. 1449

A BILL TO BE ENTITLED

AN ACT

relating to the repeal of provisions authorizing certain taxing units in the year following the year in which a disaster occurs to adopt an ad valorem tax rate that exceeds the voter-approval tax rate without holding an election to approve the adopted tax rate; making conforming changes.

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

SECTION 1.  Section 48.202(f), Education Code, is amended to read as follows:

(f)  For a school year in which the dollar amount guaranteed level of state and local funds per weighted student per cent of tax effort ("GL") under Subsection (a-1)(2) exceeds the dollar amount guaranteed level of state and local funds per weighted student per cent of tax effort ("GL") under Subsection (a-1)(2) for the preceding school year, a school district shall reduce the district's tax rate under Section 45.0032(b)(2) for the tax year that corresponds to that school year to a rate that results in the amount of state and local funds per weighted student per cent of tax effort available to the district at the dollar amount guaranteed level for the preceding school year. A school district is not entitled to the amount equal to the increase of revenue described by this subsection for the school year for which the district must reduce the district's tax rate. For [~~Unless Section 26.042(e), Tax Code, applies to the district, for~~] a tax year in which a district must reduce the district's tax rate under this subsection, the district may not increase the district's maintenance and operations tax rate to a rate that exceeds the maximum maintenance and operations tax rate permitted under Section 45.003(d) or (f), as applicable, minus the reduction of tax effort required under this subsection. This subsection does not apply if the amount of state funds appropriated for a school year specifically excludes the amount necessary to provide the dollar amount guaranteed level of state and local funds per weighted student per cent of tax effort under Subsection (a-1)(2).

SECTION 2.  The heading to Section 26.042, Tax Code, is amended to read as follows:

Sec. 26.042.  CALCULATION [~~AND ADOPTION~~] OF VOTER-APPROVAL TAX RATE OF CERTAIN TAXING UNITS [~~TAX RATES~~] IN DISASTER AREA.

SECTION 3.  Section 26.042(g), Tax Code, is amended to read as follows:

(g)  A taxing unit that in a tax year elects to calculate the taxing unit's voter-approval tax rate under Subsection (a) [~~or adopt a tax rate that exceeds the taxing unit's voter-approval tax rate for that tax year without holding an election under Subsection (d) or (e)~~] must specify the disaster declaration that provides the basis for authorizing the taxing unit to calculate [~~or adopt~~] a tax rate under that [~~the applicable~~] subsection. A taxing unit that in a tax year specifies a disaster declaration as providing the basis for authorizing the taxing unit to calculate [~~or adopt~~] a tax rate under Subsection (a)[~~, (d), or (e)~~] may not in a subsequent tax year specify the same disaster declaration as providing the basis for authorizing the taxing unit to calculate [~~or adopt~~] a tax rate under that subsection [~~one of those subsections~~] if in an intervening tax year the taxing unit specifies a different disaster declaration as the basis for authorizing the taxing unit to calculate [~~or adopt~~] a tax rate under that subsection [~~one of those subsections~~].

SECTION 4.  The following provisions are repealed:

(1)  Section 45.0032(d), Education Code; and

(2)  Sections 26.042(d), (e), and (f), Tax Code.

SECTION 5.  This Act applies only to ad valorem taxes imposed for an ad valorem tax year that begins on or after the effective date of this Act.

SECTION 6.  This Act takes effect January 1, 2026.