

1-1 By: West S.B. No. 2018
 1-2 (In the Senate - Filed March 7, 2019; March 21, 2019, read
 1-3 first time and referred to Committee on Education; April 11, 2019,
 1-4 reported adversely, with favorable Committee Substitute by the
 1-5 following vote: Yeas 10, Nays 0; April 11, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Taylor	X			
1-8 Lucio	X			
1-9 Bettencourt	X			
1-10 Campbell	X			
1-11 Fallon	X			
1-12 Hall	X			
1-13 Hughes	X			
1-14 Paxton	X			
1-15 Powell	X			
1-16 Watson	X			
1-17 West			X	

1-19 COMMITTEE SUBSTITUTE FOR S.B. No. 2018 By: West

1-20 A BILL TO BE ENTITLED
 1-21 AN ACT

1-22 relating to abolishing a dissolution committee established to
 1-23 abolish certain county boards of education or boards of county
 1-24 school trustees and appointing commissioners courts to assume the
 1-25 duties of the dissolution committee.

1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-27 SECTION 1. Section 15.001, Chapter 967 (S.B. 2065), Acts of
 1-28 the 85th Legislature, Regular Session, 2017, is amended by amending
 1-29 Subsections (b), (n), and (s) and adding Subsections (t), (u), (v),
 1-30 (w), (x), (y), and (z) to read as follows:

1-31 (b) If on the effective date of this Act there is an existing
 1-32 contract for transportation services to which a county board of
 1-33 education, board of county school trustees, or office of county
 1-34 school superintendent is a party, it shall be wound down in the
 1-35 manner described by Subsections (c)-(z) [~~(c)-(r)~~] of this section.

1-36 (n) The [In the manner provided by rule of the commissioner
 1-37 of education, the] county shall collect and use any delinquent
 1-38 taxes imposed by or on behalf of the county board of education or
 1-39 board of county school trustees for payment of debt described by
 1-40 Subsection (t) of this section. On completion of payment of all
 1-41 debt described by Subsection (t) of this section, any delinquent
 1-42 taxes collected under this subsection must be distributed on a
 1-43 proportionate basis to the school districts in the county, based on
 1-44 the percentage of each district's number of enrolled students in
 1-45 the county to all students enrolled in the county in the school year
 1-46 immediately preceding the year of the distribution.

1-47 (s) Any dissolution committee created as provided by this
 1-48 Act is abolished on September 1, 2019, and all duties and
 1-49 obligations of the committee are transferred to the commissioners
 1-50 court of the county in which the county board of education or board
 1-51 of county school trustees was located. On September 1, 2019, the
 1-52 commissioners court assumes control of and responsibility for
 1-53 administering all assets, liabilities, debts, contracts, and other
 1-54 obligations of the county board of education, board of county
 1-55 school trustees, or dissolution committee and shall take control of
 1-56 any funds of the dissolution committee, including any sinking fund
 1-57 created by the dissolution committee as provided by Subsection (h)
 1-58 of this section. Any liability, debt, contract, or other
 1-59 obligation of the county board of education, board of county school
 1-60 trustees, or dissolution committee transferred to the county as

2-1 provided by this subsection may only be paid from the tax levied
 2-2 under Subsection (t) of this section, the sinking fund created
 2-3 under Subsection (h) of this section, and any funds transferred
 2-4 from the committee to the commissioners court. County assets,
 2-5 including tax revenue funds, may not be used to pay, and are not
 2-6 subject to, any liability, debt, contract, or other obligation
 2-7 transferred to the commissioners court under this subsection [~~the~~
 2-8 ~~date all debt obligations of the county board of education or board~~
 2-9 ~~of county school trustees are paid in full and all assets~~
 2-10 ~~distributed to component school districts].~~

2-11 (t) The commissioners court shall continue to assess, levy,
 2-12 and collect any ad valorem tax adopted by the county board of
 2-13 education, board of county school trustees, or dissolution
 2-14 committee. The commissioners court shall continue to levy the tax
 2-15 annually at the rate of one cent per \$100 of ad valorem valuation,
 2-16 as previously adopted by the dissolution committee, until all debt
 2-17 of the county board of education or board of county school trustees
 2-18 described in a final judgment of a district court in litigation
 2-19 between the dissolution committee and the county is discharged in
 2-20 accordance with the terms of that judgment. Notwithstanding
 2-21 Section 44.004, Education Code, Chapter 26, Tax Code, or any other
 2-22 law, the commissioners court is not required to calculate a rate,
 2-23 publish notice of a budget and tax rate hearing, conduct a hearing,
 2-24 or take any other action each year to assess, levy, and collect the
 2-25 tax authorized by this subsection. To the extent this subsection
 2-26 conflicts with Subsection (m) of this section, this subsection
 2-27 prevails.

2-28 (u) The commissioners court may deduct from the proceeds of
 2-29 the ad valorem tax assessed, levied, and collected by the
 2-30 commissioners court under Subsection (t) of this section a
 2-31 reasonable and proportionate share for the administrative costs of
 2-32 collecting the tax.

2-33 (v) The commissioners court shall pay all other debts or
 2-34 claims not described by Subsection (t) of this section, including
 2-35 claims for workers' compensation and unemployment compensation
 2-36 filed on or before September 1, 2019, from funds reserved and
 2-37 retained by the dissolution committee for that purpose.

2-38 (w) All claims against the county board of education, board
 2-39 of county school trustees, or dissolution committee not filed on or
 2-40 before September 1, 2019, are barred. A lawsuit may not be filed
 2-41 against the county board of education, board of county school
 2-42 trustees, or dissolution committee after September 1, 2019. This
 2-43 provision takes precedence over any other statute of limitations.

2-44 (x) The commissioners court may use funds described by
 2-45 Subsection (v) of this section to perform the duties related to the
 2-46 abolishment of the dissolution committee and the administration of
 2-47 the assets, liabilities, debts, contracts, or other obligations
 2-48 transferred to the commissioners court, including:

2-49 (1) paying reasonable administrative expenses,
 2-50 including legal fees and expenses incurred by the county or any
 2-51 third party; and

2-52 (2) employing or contracting with any person needed to
 2-53 assist with the abolishment and dissolution of the county board of
 2-54 education, board of county school trustees, or dissolution
 2-55 committee and the administration of the assets, liabilities, debts,
 2-56 contracts, or other obligations transferred to the commissioners
 2-57 court.

2-58 (y) On completion of payment of all debt as provided by
 2-59 Subsection (t) of this section and any other debts or claims under
 2-60 Subsection (v) of this section, any remaining money must be
 2-61 distributed on a proportionate basis to the school districts in the
 2-62 county, based on the percentage of each district's number of
 2-63 enrolled students in the county to all students enrolled in the
 2-64 county in the school year immediately preceding the year of the
 2-65 distribution. To the extent this subsection conflicts with
 2-66 Subsection (o) of this section, this subsection prevails.

2-67 (z) An ad valorem tax imposed under Subsection (t) of this
 2-68 section is not considered to be an ad valorem tax imposed by the
 2-69 county in which the county board of education, board of county

3-1 school trustees, or dissolution committee is located for purposes
3-2 of any constitutional or statutory limit on the ad valorem tax rate
3-3 of the county.

3-4 SECTION 2. Section 18, Chapter 925 (S.B. 1566), Acts of the
3-5 85th Legislature, Regular Session, 2017, is repealed.

3-6 SECTION 3. This Act takes effect immediately if it receives
3-7 a vote of two-thirds of all the members elected to each house, as
3-8 provided by Section 39, Article III, Texas Constitution. If this
3-9 Act does not receive the vote necessary for immediate effect, this
3-10 Act takes effect September 1, 2019.

3-11

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