

BILL ANALYSIS

C.S.H.B. 1133
By: Clardy
Public Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

County equalization taxes were implemented in decades past to reallocate resources from independent school districts (ISDs) that were more well-off economically to rural ISDs that were not as well funded. Rusk County voters implemented an equalization tax over 70 years ago when it contained one of the wealthiest ISDs in Texas. Since the implementation of equalization taxes decades ago, the economic makeup of the state's ISDs has changed significantly, as has the physical makeup of the ISDs themselves. Due to consolidation, several ISDs cross county boundary lines. Kilgore ISD, which overlaps Rusk and Gregg Counties, is one example. Because Rusk County has implemented an equalization tax, taxpayers in the Rusk County portion of the ISD's boundaries are paying more in taxes than the residents in the Gregg County portion. C.S.H.B. 1133 seeks to allow Rusk County to hold an election to decide whether to revoke the county's equalization tax.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1133 amends the Education Code to authorize a commissioners court of a county with a population of more than 40,000 but less than 55,000 and for which a county equalization tax was adopted under former Chapter 18, Education Code, to order an election on the question of revoking that tax in accordance with that former chapter.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1133 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute limits the applicability of its provisions to counties with a population of more than 40,000 but less than 55,000.