

BILL ANALYSIS

Senate Research Center

S.B. 1753
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Education
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As Filed

DIGEST AND PURPOSE

Under current law, payment of facilities debt under a lease-purchase agreement cannot be considered as payment of debt for the purpose of calculating a school district's rollback rate, even though the payments for a district's Maintenance and Operations (M&O) debt and General Obligation (GO) bonds are considered debt in rollback calculations. As proposed, S.B. 1753 requires a school district's lease-purchase bonds to be treated like other M&O debt and GO bonds for tax rollback purposes.

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 Section 271.004(e), Local Government Code, to delete language prohibiting the contract from being considered payment of indebtedness under Section 26.04(c), Tax Code, and adds language requiring it to be treated as debt as defined by Section 26.012(7), Tax Code.

SECTION 2. Effective date: upon passage or September 1, 2001.