

By: Parker
(Lozano)

S.B. No. 767

Substitute the following for S.B. No. 767:

By: Lozano

C.S.S.B. No. 767

A BILL TO BE ENTITLED

1 AN ACT
2 relating to notice requirements for certain municipal fees and the
3 process to adopt a municipal budget that includes the use of revenue
4 from those fees.

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

6 SECTION 1. Chapter 102, Local Government Code, is amended
7 by adding Section 102.0001 to read as follows:

8 Sec. 102.0001. DEFINITION. In this chapter, "fee" has the
9 meaning assigned by Section 110.001.

10 SECTION 2. Section 102.005, Local Government Code, is
11 amended by adding Subsection (b-1) to read as follows:

12 (b-1) A proposed budget for a municipality with a population
13 of 30,000 or more that includes estimated revenue from a new fee or
14 the increase of an existing fee must contain a cover page with the
15 following statement in underlined or boldfaced type: "This budget
16 includes estimated revenue from the following new or increased
17 fees: (include a description of each new or increased fee, the
18 dollar amount of each new fee, and the dollar amount of and
19 percentage of increase of each increased fee)."

20 SECTION 3. Section 102.006(c), Local Government Code, is
21 amended to read as follows:

22 (c) The governing body shall provide for public notice of
23 the date, time, and location of the hearing. The notice must
24 include, in type of a size at least equal to the type used for other

1 items in the notice, any statement required to be included in the
2 proposed budget under Section 102.005(b) or (b-1).

3 SECTION 4. Section 102.0065(d), Local Government Code, is
4 amended to read as follows:

5 (d) Notice under this section must include, in type of a
6 size at least equal to the type used for other items in the notice,
7 any statement required to be included in the proposed budget under
8 Section 102.005(b) or (b-1). The governing body of a municipality
9 may include in the notice the exact Internet location or uniform
10 resource locator (URL) address of the location on an Internet
11 website maintained by the municipality where the information
12 required to be included in the statement prescribed by Section
13 102.005(b-1) may be viewed instead of publishing that information
14 in the notice.

15 SECTION 5. Section 102.007, Local Government Code, is
16 amended by adding Subsection (c-1) and amending Subsection (d) to
17 read as follows:

18 (c-1) Adoption of a budget for a municipality with a
19 population of 30,000 or more that includes estimated revenue from a
20 new fee or the increase of an existing fee requires a separate vote
21 of the governing body to ratify the use of the total amount of the
22 revenue from all new or increased fees. A vote under this
23 subsection is in addition to and separate from the vote to adopt the
24 budget or a vote to adopt or increase the fee.

25 (d) An adopted budget must contain a cover page that
26 includes:

27 (1) one of the following statements in underlined

1 ~~[18-point]~~ or boldfaced ~~[larger]~~ type that accurately describes the
2 adopted budget:

3 (A) "This budget will raise more revenue from
4 property taxes than last year's budget by an amount of (insert total
5 dollar amount of increase), which is a (insert percentage increase)
6 percent increase from last year's budget. The property tax revenue
7 to be raised from new property added to the tax roll this year is
8 (insert amount computed by multiplying the proposed tax rate by the
9 value of new property added to the roll).";

10 (B) "This budget will raise less revenue from
11 property taxes than last year's budget by an amount of (insert total
12 dollar amount of decrease), which is a (insert percentage decrease)
13 percent decrease from last year's budget. The property tax revenue
14 to be raised from new property added to the tax roll this year is
15 (insert amount computed by multiplying the proposed tax rate by the
16 value of new property added to the roll)."; or

17 (C) "This budget will raise the same amount of
18 revenue from property taxes as last year's budget. The property
19 tax revenue to be raised from new property added to the tax roll
20 this year is (insert amount computed by multiplying the proposed
21 tax rate by the value of new property added to the roll).";

22 (2) for a municipality with a population of 30,000 or
23 more, if applicable, the following statement in underlined or
24 boldfaced type: "This budget includes estimated revenue from the
25 following new or increased fees, and a list of those fees is
26 available at (insert exact Internet location or uniform resource
27 locator (URL) address on an Internet website maintained by the

1 municipality).";

2 (3) the record vote of each member of the governing
3 body by name voting on the adoption of the budget;

4 (4) [~~(3)~~] the municipal property tax rates for the
5 preceding fiscal year, and each municipal property tax rate that
6 has been adopted or calculated for the current fiscal year,
7 including:

8 (A) the property tax rate;

9 (B) the no-new-revenue tax rate;

10 (C) the no-new-revenue maintenance and
11 operations tax rate;

12 (D) the voter-approval tax rate; and

13 (E) the debt rate; and

14 (5) [~~(4)~~] the total amount of municipal debt
15 obligations.

16 SECTION 6. Section [102.008](#), Local Government Code, is
17 amended to read as follows:

18 Sec. 102.008. APPROVED BUDGET FILED WITH MUNICIPAL
19 CLERK: POSTING ON INTERNET. (a) On final approval of the budget
20 by the governing body of the municipality, the governing body
21 shall:

22 (1) file the budget with the municipal clerk; and

23 (2) if the municipality maintains an Internet website,
24 take action to ensure that:

25 (A) a copy of the budget, including the cover
26 page, is posted on the website; and

27 (B) the record vote described by Section

1 102.007(d)(3) [~~102.007(d)(2)~~] is posted on the website at least
2 until the first anniversary of the date the budget is adopted.

3 (b) The governing body shall take action to ensure that the
4 cover page of the budget is amended to include the property tax
5 rates required by Section 102.007(d)(4) [~~102.007(d)(3)~~] for the
6 current fiscal year if the rates are not included on the cover page
7 when the budget is filed with the municipal clerk. The governing
8 body shall file an amended cover page with the municipal clerk and
9 take action to ensure that the amended cover page is posted on the
10 municipality's website.

11 SECTION 7. Subtitle A, Title 4, Local Government Code, is
12 amended by adding Chapter 110 to read as follows:

13 CHAPTER 110. NOTIFICATION OF NEW OR INCREASED MUNICIPAL FEES

14 Sec. 110.001. DEFINITION. In this chapter, "fee" means any
15 fee, charge, assessment, or similar payment required by a
16 municipality for a privilege, service, authorization, permit,
17 license, registration, certification, filing, or other municipal
18 action or approval.

19 Sec. 110.002. APPLICABILITY. This chapter applies only to
20 a municipality with a population of 30,000 or more.

21 Sec. 110.003. E-MAIL NOTIFICATION SERVICE. (a) Except as
22 provided by Subsection (b), each municipality shall establish and
23 maintain an e-mail notification service to which any person may
24 electronically subscribe to receive information regarding new or
25 increased municipal fees.

26 (b) A municipality that does not maintain an e-mail
27 notification service for any purpose on January 1, 2023, shall post

1 the notifications described by Subsection (c)(1) on the Internet
2 website of the municipality that are accessible from a prominently
3 displayed link on the home page of that website instead of
4 establishing an e-mail notification service as prescribed by this
5 section.

6 (c) The e-mail notification service must:

7 (1) allow a subscriber to request notification of
8 each:

9 (A) new fee proposed to be adopted by the
10 municipality;

11 (B) existing fee proposed to be increased by the
12 municipality;

13 (C) proposed budget of the municipality that
14 includes use of revenue from a fee described by Paragraph (A) or
15 (B);

16 (D) adopted budget of the municipality that
17 includes use of revenue from a fee described by Paragraph (A) or
18 (B); or

19 (E) public hearing scheduled to be held at which
20 a fee or budget described by Paragraphs (A)-(D) is scheduled to be
21 discussed;

22 (2) include a link in the notification to any web page
23 maintained by the municipality on which the fee or budget may be
24 viewed; and

25 (3) notify the subscriber by e-mail not later than the
26 second day after the date:

27 (A) the municipality provides public notice of a

1 public hearing at which a proposed new or increased fee or a
2 proposed budget is scheduled to be discussed, for notification of a
3 public hearing for a proposed fee or budget;

4 (B) the budget officer files a proposed budget
5 with the municipal clerk as required by Section 102.005, for
6 notification of a proposed budget; or

7 (C) the governing body files an adopted budget
8 with the municipal clerk as required by Section 102.008, for
9 notification of an adopted budget.

10 Sec. 110.004. LIST OF MUNICIPAL FEES. The governing body of
11 a municipality shall designate an individual in the city manager's,
12 city secretary's, or city budget director's office who can provide a
13 comprehensive list of municipal fees to a person on request.

14 SECTION 8. The changes in law made by Sections 102.005,
15 102.006, 102.0065, 102.007, and 102.008, Local Government Code, as
16 amended by this Act, apply only to a proposed or adopted budget for
17 a fiscal year beginning on or after January 1, 2024.

18 SECTION 9. This Act takes effect September 1, 2023.