

1-1 By: Parker S.B. No. 767
 1-2 (In the Senate - Filed February 7, 2023; March 1, 2023, read
 1-3 first time and referred to Committee on Local Government;
 1-4 March 29, 2023, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 7, Nays 0; March 29, 2023,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12			X	
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17			X	

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 767 By: Parker

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to notice requirements for certain municipal fees and the
 1-22 process to adopt a municipal budget that includes the use of revenue
 1-23 from those fees.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Chapter 102, Local Government Code, is amended
 1-26 by adding Section 102.0001 to read as follows:

1-27 Sec. 102.0001. DEFINITION. In this chapter, "fee" has the
 1-28 meaning assigned by Section 110.001.

1-29 SECTION 2. Section 102.005, Local Government Code, is
 1-30 amended by adding Subsection (b-1) to read as follows:

1-31 (b-1) A proposed budget that includes estimated revenue
 1-32 from a new fee or the increase of an existing fee must contain a
 1-33 cover page with the following statement in underlined or boldfaced
 1-34 type: "This budget includes estimated revenue from the following
 1-35 new or increased fees: (include a description of each new or
 1-36 increased fee, the dollar amount of each new fee, and the dollar
 1-37 amount of and percentage of increase of each increased fee)."

1-38 SECTION 3. Section 102.006(c), Local Government Code, is
 1-39 amended to read as follows:

1-40 (c) The governing body shall provide for public notice of
 1-41 the date, time, and location of the hearing. The notice must
 1-42 include, in type of a size at least equal to the type used for other
 1-43 items in the notice, any statement required to be included in the
 1-44 proposed budget under Section 102.005(b) or (b-1).

1-45 SECTION 4. Section 102.0065(d), Local Government Code, is
 1-46 amended to read as follows:

1-47 (d) Notice under this section must include, in type of a
 1-48 size at least equal to the type used for other items in the notice,
 1-49 any statement required to be included in the proposed budget under
 1-50 Section 102.005(b) or (b-1). The governing body of a municipality
 1-51 may include in the notice the exact Internet location or uniform
 1-52 resource locator (URL) address of the location on an Internet
 1-53 website maintained by the municipality where the information
 1-54 required to be included in the statement prescribed by Section
 1-55 102.005(b-1) may be viewed instead of publishing that information
 1-56 in the notice.

1-57 SECTION 5. Section 102.007, Local Government Code, is
 1-58 amended by adding Subsection (c-1) and amending Subsection (d) to
 1-59 read as follows:

1-60 (c-1) Adoption of a budget that includes estimated revenue

2-1 from a new fee or the increase of an existing fee requires a
 2-2 separate vote of the governing body to ratify the use of the total
 2-3 amount of the revenue from all new or increased fees. A vote under
 2-4 this subsection is in addition to and separate from the vote to
 2-5 adopt the budget or a vote to adopt or increase the fee.

2-6 (d) An adopted budget must contain a cover page that
 2-7 includes:

2-8 (1) one of the following statements in underlined
 2-9 ~~[18-point]~~ or boldfaced ~~[larger]~~ type that accurately describes the
 2-10 adopted budget:

2-11 (A) "This budget will raise more revenue from
 2-12 property taxes than last year's budget by an amount of (insert total
 2-13 dollar amount of increase), which is a (insert percentage increase)
 2-14 percent increase from last year's budget. The property tax revenue
 2-15 to be raised from new property added to the tax roll this year is
 2-16 (insert amount computed by multiplying the proposed tax rate by the
 2-17 value of new property added to the roll).";

2-18 (B) "This budget will raise less revenue from
 2-19 property taxes than last year's budget by an amount of (insert total
 2-20 dollar amount of decrease), which is a (insert percentage decrease)
 2-21 percent decrease from last year's budget. The property tax revenue
 2-22 to be raised from new property added to the tax roll this year is
 2-23 (insert amount computed by multiplying the proposed tax rate by the
 2-24 value of new property added to the roll)."; or

2-25 (C) "This budget will raise the same amount of
 2-26 revenue from property taxes as last year's budget. The property
 2-27 tax revenue to be raised from new property added to the tax roll
 2-28 this year is (insert amount computed by multiplying the proposed
 2-29 tax rate by the value of new property added to the roll).";

2-30 (2) if applicable, the following statement in
 2-31 underlined or boldfaced type: "This budget includes estimated
 2-32 revenue from the following new or increased fees, and a list of
 2-33 those fees is available at (insert exact Internet location or
 2-34 uniform resource locator (URL) address on an Internet website
 2-35 maintained by the municipality).";

2-36 (3) the record vote of each member of the governing
 2-37 body by name voting on the adoption of the budget;

2-38 (4) ~~(3)~~ the municipal property tax rates for the
 2-39 preceding fiscal year, and each municipal property tax rate that
 2-40 has been adopted or calculated for the current fiscal year,
 2-41 including:

- 2-42 (A) the property tax rate;
- 2-43 (B) the no-new-revenue tax rate;
- 2-44 (C) the no-new-revenue maintenance and
 2-45 operations tax rate;
- 2-46 (D) the voter-approval tax rate; and
- 2-47 (E) the debt rate; and

2-48 (5) ~~(4)~~ the total amount of municipal debt
 2-49 obligations.

2-50 SECTION 6. Section 102.008, Local Government Code, is
 2-51 amended to read as follows:

2-52 Sec. 102.008. APPROVED BUDGET FILED WITH MUNICIPAL
 2-53 CLERK: POSTING ON INTERNET. (a) On final approval of the budget
 2-54 by the governing body of the municipality, the governing body
 2-55 shall:

- 2-56 (1) file the budget with the municipal clerk; and
- 2-57 (2) if the municipality maintains an Internet website,
 2-58 take action to ensure that:

2-59 (A) a copy of the budget, including the cover
 2-60 page, is posted on the website; and

2-61 (B) the record vote described by Section
 2-62 102.007(d)(3) ~~[102.007(d)(2)]~~ is posted on the website at least
 2-63 until the first anniversary of the date the budget is adopted.

2-64 (b) The governing body shall take action to ensure that the
 2-65 cover page of the budget is amended to include the property tax
 2-66 rates required by Section 102.007(d)(4) ~~[102.007(d)(3)]~~ for the
 2-67 current fiscal year if the rates are not included on the cover page
 2-68 when the budget is filed with the municipal clerk. The governing
 2-69 body shall file an amended cover page with the municipal clerk and

3-1 take action to ensure that the amended cover page is posted on the
3-2 municipality's website.

3-3 SECTION 7. Subtitle A, Title 4, Local Government Code, is
3-4 amended by adding Chapter 110 to read as follows:

3-5 CHAPTER 110. NOTIFICATION OF NEW OR INCREASED MUNICIPAL FEES

3-6 Sec. 110.001. DEFINITION. In this chapter, "fee" means any
3-7 fee, charge, assessment, or similar payment required by a
3-8 municipality for a privilege, service, authorization, permit,
3-9 license, registration, certification, filing, or other municipal
3-10 action or approval.

3-11 Sec. 110.002. E-MAIL NOTIFICATION SERVICE IN CERTAIN
3-12 MUNICIPALITIES. (a) This section does not apply to a municipality
3-13 with a population of less than 20,000.

3-14 (b) Except as provided by Subsection (c), each municipality
3-15 shall establish and maintain an e-mail notification service to
3-16 which any person may electronically subscribe to receive
3-17 information regarding new or increased municipal fees.

3-18 (c) A municipality that does not maintain an e-mail
3-19 notification service for any purpose on January 1, 2023, shall post
3-20 the notifications described by Subsection (d)(1) on the Internet
3-21 website of the municipality that are accessible from a prominently
3-22 displayed link on the home page of that website instead of
3-23 establishing an e-mail notification service as prescribed by this
3-24 section.

3-25 (d) The e-mail notification service must:

3-26 (1) allow a subscriber to request notification of
3-27 each:

3-28 (A) new fee proposed to be adopted by the
3-29 municipality;

3-30 (B) existing fee proposed to be increased by the
3-31 municipality;

3-32 (C) proposed budget of the municipality that
3-33 includes use of revenue from a fee described by Paragraph (A) or
3-34 (B);

3-35 (D) adopted budget of the municipality that
3-36 includes use of revenue from a fee described by Paragraph (A) or
3-37 (B); or

3-38 (E) public hearing scheduled to be held at which
3-39 a fee or budget described by Paragraphs (A)-(D) is scheduled to be
3-40 discussed;

3-41 (2) include a link in the notification to any web page
3-42 maintained by the municipality on which the fee or budget may be
3-43 viewed; and

3-44 (3) notify the subscriber by e-mail not later than the
3-45 second day after the date:

3-46 (A) the municipality provides public notice of a
3-47 public hearing at which a proposed new or increased fee or a
3-48 proposed budget is scheduled to be discussed, for notification of a
3-49 public hearing for a proposed fee or budget;

3-50 (B) the budget officer files a proposed budget
3-51 with the municipal clerk as required by Section 102.005, for
3-52 notification of a proposed budget; or

3-53 (C) the governing body files an adopted budget
3-54 with the municipal clerk as required by Section 102.008, for
3-55 notification of an adopted budget.

3-56 Sec. 110.003. LIST OF MUNICIPAL FEES. The governing body of
3-57 a municipality shall designate an individual in the city manager's,
3-58 city secretary's, or city budget director's office who can provide a
3-59 comprehensive list of municipal fees to a person on request.

3-60 SECTION 8. The changes in law made by Sections 102.005,
3-61 102.006, 102.0065, 102.007, and 102.008, Local Government Code, as
3-62 amended by this Act, apply only to a proposed or adopted budget for
3-63 a fiscal year beginning on or after January 1, 2024.

3-64 SECTION 9. This Act takes effect September 1, 2023.

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