

## **BILL ANALYSIS**

H.B. 3189  
By: Howard, Charlie  
Local Government Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

One of the most persistent complaints about increasing tax rates under the current property tax system is that the notice of the public hearings related to tax rate increases has become so complicated that taxpayers no longer pay attention to it. Compounding this problem, in the 2005 legislative session, two bills made conflicting amendments to the language required for the notice.

This bill returns the notice to a simpler form, closer to its original intent. The governing body must publish a notice of public hearings if it proposes to adopt a tax rate that is higher than its effective tax rate (a calculated rate that would produce about the same revenue as the preceding year's actual tax rate) or rollback tax rate (in rare circumstances where the rollback rate is lower than the effective rate).

### **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**

HB3189 amends Section 26.06 (b) of the Tax Code, as amended by Chapter 807, Acts of the 79th Legislature, Regular Session, 2005 to simplify the notice of public hearing on a tax rate increase. It repeals Section 26.06 (b) of the Tax Code, as amended by Chapter 1368, Acts of the 79th Legislature, Regular Session, 2005 to resolve issues with conflicting code.

### **EFFECTIVE DATE**

The effective date is September 1, 2007 or immediately if approved by two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution.