

By: Hill (Senate Sponsor - Williams) H.B. No. 3195
(In the Senate - Received from the House May 11, 2007;
May 15, 2007, read first time and referred to Committee on
Intergovernmental Relations; May 18, 2007, reported favorably by
the following vote: Yeas 4, Nays 0; May 18, 2007, sent to
printer.)

A BILL TO BE ENTITLED
AN ACT

relating to the requirements of a municipal or county budget that
raises more property taxes than in the previous year's budget.

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

SECTION 1. Section 102.005, Local Government Code, is
amended by amending Subsection (b) and adding Subsection (c) to
read as follows:

(b) A proposed budget that will require raising more revenue
from property taxes than in the previous year must contain a cover
page with the following statement in 18-point or larger type: "This
budget will raise more total property taxes than last year's budget
by (insert total dollar amount of increase and percentage
increase), and of that amount (insert amount computed by
multiplying the proposed tax rate by the value of new property added
to the roll) is tax revenue to be raised from new property added to
the tax roll this year."

(c) The proposed budget shall be available for inspection by
any person [taxpayer]. If the municipality maintains an Internet
website, the municipal clerk shall take action to ensure that the
proposed budget is posted on the website.

SECTION 2. Sections 102.006(a) and (c), Local Government
Code, are amended to read as follows:

(a) The governing body of a municipality shall hold a public
hearing on the proposed budget. Any person [taxpayer of the
municipality] may attend and may participate in the hearing.

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

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

(d) Notice under this section must include, in type of a
size at least equal to the type used for other items in the notice,
any statement required to be included in the proposed budget under
Section 102.005(b).

SECTION 4. Section 102.007, Local Government Code, is
amended by adding Subsection (c) to read as follows:

(c) Adoption of a budget that will require raising more
revenue from property taxes than in the previous year requires a
separate vote of the governing body to ratify the property tax
increase reflected in the budget. A vote under this subsection is
in addition to and separate from the vote to adopt the budget or a
vote to set the tax rate required by Chapter 26, Tax Code, or other
law.

SECTION 5. Section 102.008, Local Government Code, is
amended to read as follows:

Sec. 102.008. APPROVED BUDGET FILED WITH MUNICIPAL CLERK:
POSTING ON INTERNET. On final approval of the budget by the
governing body of the municipality, the governing body shall:

(1) file the budget with the municipal clerk; and
(2) if the municipality maintains an Internet website,
take action to ensure that a copy of the budget is posted on the
website.

SECTION 6. Section 102.011, Local Government Code, is
amended to read as follows:

Sec. 102.011. CIRCUMSTANCES UNDER WHICH CHARTER PROVISIONS

CONTROL. If a municipality has already adopted charter provisions that require the preparation of an annual budget covering all municipal expenditures and if the municipality conducts a public hearing on the budget as provided by Section 102.006 and otherwise complies with the provisions of this chapter relating to property tax increases, the charter provisions control. After the budget has been finally prepared and approved, a copy of the budget and the amendments to the budget shall be filed with the county clerk, as required for other budgets under this chapter.

SECTION 7. Section 111.003, Local Government Code, is amended to read as follows:

Sec. 111.003. ANNUAL BUDGET REQUIRED. (a) During the 7th or the 10th month of the fiscal year, as determined by the commissioners court, the county judge, assisted by the county auditor or county clerk, shall prepare a budget to cover all proposed expenditures of the county government for the succeeding fiscal year.

(b) A proposed budget that will require raising more revenue from property taxes than in the previous year must contain a cover page with the following statement in 18-point or larger type: "This budget will raise more total property taxes than last year's budget by (insert total dollar amount of increase and percentage increase), and of that amount (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll) is tax revenue to be raised from new property added to the tax roll this year."

SECTION 8. Section 111.006(b), Local Government Code, is amended to read as follows:

(b) The copy of the proposed budget shall be available for inspection by any person ~~[taxpayer]~~. If the county maintains an Internet website, the county clerk shall take action to ensure that the proposed budget is posted on the website.

SECTION 9. Sections 111.007(a) and (c), Local Government Code, are amended to read as follows:

(a) The commissioners court shall hold a public hearing on the proposed budget. Any person ~~[taxpayer of the county]~~ may attend and may participate in the hearing.

(c) The commissioners court shall give public notice that it will consider the proposed budget on the date of the hearing. The notice must state the date, time, and location of the hearing. The notice must include, in type of a size at least equal to the type used for other items in the notice, any statement required to be included in the proposed budget under Section 111.003(b).

SECTION 10. Section 111.0075, Local Government Code, is amended by adding Subsection (d) to read as follows:

(d) Notice under this section must include, in type of a size at least equal to the type used for other items in the notice, any statement required to be included in the proposed budget under Section 111.003(b).

SECTION 11. Section 111.008, Local Government Code, is amended by adding Subsection (c) to read as follows:

(c) Adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the commissioners court to ratify the property tax increase reflected in the budget. A vote under this subsection is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tax Code, or other law.

SECTION 12. Section 111.009, Local Government Code, is amended to read as follows:

Sec. 111.009. APPROVED BUDGET FILED WITH COUNTY CLERK: POSTING ON INTERNET. On final approval of the budget by the commissioners court, the court shall:

(1) file the budget with the county clerk; and
(2) if the county maintains an Internet website, take action to ensure that a copy of the budget is posted on the website.

SECTION 13. Section 111.033, Local Government Code, is amended to read as follows:

Sec. 111.033. ANNUAL BUDGET REQUIRED. (a) On or

immediately after the first day of each fiscal year, the county auditor shall prepare a budget to cover the proposed expenditures of the county government for that fiscal year.

(b) A proposed budget that will require raising more revenue from property taxes than in the previous year must contain a cover page with the following statement in 18-point or larger type: "This budget will raise more total property taxes than last year's budget by (insert total dollar amount of increase and percentage increase), and of that amount (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll) is tax revenue to be raised from new property added to the tax roll this year."

SECTION 14. Section 111.037(b), Local Government Code, is amended to read as follows:

(b) The copy of the proposed budget shall be available for public inspection by any person [taxpayer]. If the county maintains an Internet website, the county clerk shall take action to ensure that the proposed budget is posted on the website.

SECTION 15. Section 111.038, Local Government Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a) The commissioners court shall hold a public hearing on the proposed budget. Any person [taxpayer of the county] may attend and may participate in the hearing.

(d) Notice under this section must include, in type of a size at least equal to the type used for other items in the notice, any statement required to be included in the proposed budget under Section 111.033(b).

SECTION 16. Section 111.0385, Local Government Code, is amended by adding Subsection (d) to read as follows:

(d) Notice under this section must include, in type of a size at least equal to the type used for other items in the notice, any statement required to be included in the proposed budget under Section 111.033(b).

SECTION 17. Section 111.039, Local Government Code, is amended by adding Subsection (c) to read as follows:

(c) Adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the commissioners court to ratify the property tax increase reflected in the budget. A vote under this subsection is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tax Code, or other law.

SECTION 18. Section 111.040, Local Government Code, is amended to read as follows:

Sec. 111.040. APPROVED BUDGET FILED WITH OFFICERS: POSTING ON INTERNET. On final approval of the budget by the commissioners court, the court shall:

(1) file a copy of the budget with the county auditor and the county clerk; and

(2) if the county maintains an Internet website, take action to ensure that a copy of the budget is posted on the website.

SECTION 19. Section 111.067, Local Government Code, is amended by adding Subsection (d) to read as follows:

(d) Notice under this section must include, in type of a size at least equal to the type used for other items in the notice, any statement required to be included in the proposed budget under Section 111.033(b).

SECTION 20. This Act applies only to a budget adopted on or after the effective date of this Act.

SECTION 21. This Act takes effect September 1, 2007.

* * * * *