

BILL ANALYSIS

S.B. 656
By: Paxton
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Recent legislation required a county or municipality to list on the cover page of its proposed budget whether the proposed budget would increase the total property tax burden and to post the proposed budget on its website if the county or municipality maintained one. The legislation also required a county or municipality to have a separate vote by which the budget and the property tax rate are adopted. S.B. 656 seeks to further enhance transparency in the budget adoption process of municipalities and counties.

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

S.B. 656 amends the Local Government Code to require a vote by the governing body of a municipality or a county commissioners court to adopt the budget for the municipality or certain counties, as applicable, to be a record vote. The bill requires the adopted budget to contain a cover page that includes one of three specific statements in 18-point or larger type that accurately describes the adopted budget; the record vote of each member of the governing body or commissioners court by name voting on the adoption of the budget; the municipal or county property tax rates for the preceding fiscal year and each municipal or county property tax rate that has been adopted or calculated for the current fiscal year; and the total amount of bonds and other debt obligations owed by the municipality or county.

S.B. 656 requires the governing body of a municipality or the county commissioners court, on final approval of the budget and if the municipality or county maintains an Internet website, to take action to ensure that the budget-related cover page is posted on the website, in addition to the copy of the budget, and that the record vote is posted on the website at least until the first anniversary of the date the budget is adopted. The bill requires the governing body or commissioners court to take action to ensure that the cover page of the budget is amended to include the property tax rates for the current fiscal year if the rates are not included on the cover page when the budget is filed with the municipal or county clerk. The bill requires the governing body or commissioners court to file an amended cover page with the municipal or county clerk and to take action to ensure that the amended cover page is posted on the municipality's or county's website.

EFFECTIVE DATE

September 1, 2013.