

AN ACT

relating to providing transparency in the budget adoption process of municipalities and counties.

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

SECTION 1. Section 102.007, Local Government Code, is amended by amending Subsection (a) and adding Subsections (d) and (e) to read as follows:

(a) At the conclusion of the public hearing, the governing body of the municipality shall take action on the proposed budget. A vote to adopt the budget must be a record vote.

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

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:

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

(B) "This budget will raise less revenue from property taxes than last year's budget by an amount of (insert total dollar amount of decrease), which is a (insert percentage decrease)

1 percent decrease from last year's budget. The property tax revenue
2 to be raised from new property added to the tax roll this year is
3 (insert amount computed by multiplying the proposed tax rate by the
4 value of new property added to the roll)."; or

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

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

12 (3) the municipal property tax rates for the preceding
13 fiscal year, and each municipal property tax rate that has been
14 adopted or calculated for the current fiscal year, including:

15 (A) the property tax rate;

16 (B) the effective tax rate;

17 (C) the effective maintenance and operations tax
18 rate;

19 (D) the rollback tax rate; and

20 (E) the debt rate; and

21 (4) the total amount of municipal debt obligations.

22 (e) In this section, "debt obligation" means an issued
23 public security as defined by Section 1201.002, Government Code,
24 secured by property taxes.

25 SECTION 2. Section 102.008, Local Government Code, is
26 amended to read as follows:

27 Sec. 102.008. APPROVED BUDGET FILED WITH MUNICIPAL CLERK:

1 POSTING ON INTERNET. (a) On final approval of the budget by the
2 governing body of the municipality, the governing body shall:

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

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

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

8 (B) the record vote described by Section
9 102.007(d)(2) is posted on the website at least until the first
10 anniversary of the date the budget is adopted.

11 (b) The governing body shall take action to ensure that the
12 cover page of the budget is amended to include the property tax
13 rates required by Section 102.007(d)(3) for the current fiscal year
14 if the rates are not included on the cover page when the budget is
15 filed with the municipal clerk. The governing body shall file an
16 amended cover page with the municipal clerk and take action to
17 ensure that the amended cover page is posted on the municipality's
18 website.

19 SECTION 3. Section 111.008, Local Government Code, is
20 amended by amending Subsection (a) and adding Subsections (d) and
21 (e) to read as follows:

22 (a) At the conclusion of the public hearing, the
23 commissioners court shall take action on the proposed budget. A
24 vote to adopt the budget must be a record vote.

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

27 (1) one of the following statements in 18-point or

1 larger type that accurately describes the adopted budget:

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

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

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

21 (2) the record vote of each member of the
22 commissioners court by name voting on the adoption of the budget;

23 (3) the county property tax rates for the preceding
24 fiscal year, and each county property tax rate that has been adopted
25 or calculated for the current fiscal year, including:

26 (A) the property tax rate;

27 (B) the effective tax rate;

1 (C) the effective maintenance and operations tax
2 rate;

3 (D) the rollback tax rate; and

4 (E) the debt rate; and

5 (4) the total amount of county debt obligations.

6 (e) In this section, "debt obligation" means an issued
7 public security as defined by Section 1201.002, Government Code,
8 secured by property taxes.

9 SECTION 4. Section 111.009, Local Government Code, is
10 amended to read as follows:

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

14 (1) file the budget with the county clerk; and

15 (2) if the county maintains an Internet website, take
16 action to ensure that:

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

19 (B) the record vote described by Section
20 111.008(d)(2) is posted on the website at least until the first
21 anniversary of the date the budget is adopted.

22 (b) The commissioners court shall take action to ensure that
23 the cover page of the budget is amended to include the property tax
24 rates required by Section 111.008(d)(3) for the current fiscal year
25 if the rates are not included on the cover page when the budget is
26 filed with the county clerk. The commissioners court shall file an
27 amended cover page with the county clerk and take action to ensure

1 that the amended cover page is posted on the county's website.

2 SECTION 5. Section 111.039, Local Government Code, is
3 amended by amending Subsection (a) and adding Subsections (d) and
4 (e) to read as follows:

5 (a) At the conclusion of the public hearing, the
6 commissioners court shall take action on the proposed budget. A
7 vote to adopt the budget must be a record vote.

8 (d) An adopted budget must contain a cover page that
9 includes:

10 (1) one of the following statements in 18-point or
11 larger type that accurately describes the adopted budget:

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

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

26 (C) "This budget will raise the same amount of
27 revenue from property taxes as last year's budget. The property tax

1 revenue to be raised from new property added to the tax roll this
2 year is (insert amount computed by multiplying the proposed tax
3 rate by the value of new property added to the roll).";

4 (2) the record vote of each member of the
5 commissioners court by name voting on the adoption of the budget;

6 (3) the county property tax rates for the preceding
7 fiscal year, and each county property tax rate that has been adopted
8 or calculated for the current fiscal year, including:

9 (A) the property tax rate;

10 (B) the effective tax rate;

11 (C) the effective maintenance and operations tax
12 rate;

13 (D) the rollback tax rate; and

14 (E) the debt rate; and

15 (4) the total amount of county debt obligations.

16 (e) In this section, "debt obligation" means an issued
17 public security as defined by Section 1201.002, Government Code,
18 secured by property taxes.

19 SECTION 6. Section 111.040, Local Government Code, is
20 amended to read as follows:

21 Sec. 111.040. APPROVED BUDGET FILED WITH OFFICERS: POSTING
22 ON INTERNET. (a) On final approval of the budget by the
23 commissioners court, the court shall:

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

26 (2) if the county maintains an Internet website, take
27 action to ensure that:

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

3 (B) the record vote described by Section
4 111.039(d)(2) is posted on the website at least until the first
5 anniversary of the date the budget is adopted.

6 (b) The commissioners court shall take action to ensure that
7 the cover page of the budget is amended to include the property tax
8 rates required by Section 111.039(d)(3) for the current fiscal year
9 if the rates are not included on the cover page when the budget is
10 filed with the county clerk. The commissioners court shall file an
11 amended cover page with the county clerk and take action to ensure
12 that the amended cover page is posted on the county's website.

13 SECTION 7. Section 111.068, Local Government Code, is
14 amended by amending Subsection (a) and adding Subsections (c) and
15 (d) to read as follows:

16 (a) At the conclusion of the public hearing, the
17 commissioners court shall take action on the proposed budget. A
18 vote to adopt the budget must be a record vote.

19 (c) An adopted budget must contain a cover page that
20 includes:

21 (1) one of the following statements in 18-point or
22 larger type that accurately describes the adopted budget:

23 (A) "This budget will raise more revenue from
24 property taxes than last year's budget by an amount of (insert total
25 dollar amount of increase), which is a (insert percentage increase)
26 percent increase from last year's budget. The property tax revenue
27 to be raised from new property added to the tax roll this year is

1 (insert amount computed by multiplying the proposed tax rate by the
2 value of new property added to the roll).";

3 (B) "This budget will raise less revenue from
4 property taxes than last year's budget by an amount of (insert total
5 dollar amount of decrease), which is a (insert percentage decrease)
6 percent decrease 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)."; or

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

15 (2) the record vote of each member of the
16 commissioners court by name voting on the adoption of the budget;

17 (3) the county property tax rates for the preceding
18 fiscal year, and each county property tax rate that has been adopted
19 or calculated for the current fiscal year, including:

20 (A) the property tax rate;

21 (B) the effective tax rate;

22 (C) the effective maintenance and operations tax
23 rate;

24 (D) the rollback tax rate; and

25 (E) the debt rate; and

26 (4) the total amount of county debt obligations.

27 (d) In this section, "debt obligation" means an issued

1 public security as defined by Section 1201.002, Government Code,
2 secured by property taxes.

3 SECTION 8. Section 111.069, Local Government Code, is
4 amended to read as follows:

5 Sec. 111.069. APPROVED BUDGET FILED WITH OFFICERS; POSTING
6 ON INTERNET. (a) On final approval of the budget by the
7 commissioners court, the court shall:

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

10 (2) if the county maintains an Internet website, take
11 action to ensure that:

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

14 (B) the record vote described by Section
15 111.068(c)(2) is posted on the website at least until the first
16 anniversary of the date the budget is adopted.

17 (b) The commissioners court shall take action to ensure that
18 the cover page of the budget is amended to include the property tax
19 rates required by Section 111.068(c)(3) for the current fiscal year
20 if the rates are not included on the cover page when the budget is
21 filed with the county clerk. The commissioners court shall file an
22 amended cover page with the county clerk and take action to ensure
23 that the amended cover page is posted on the county's website.

24 SECTION 9. This Act applies only to a budget adopted for a
25 fiscal year beginning on or after the effective date of this Act.

26 SECTION 10. This Act takes effect September 1, 2013.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 656 passed the Senate on April 11, 2013, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 24, 2013, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 656 passed the House, with amendment, on May 21, 2013, by the following vote: Yeas 145, Nays 2, three present not voting.

Chief Clerk of the House

Approved:

Date

Governor