

By: Paxton
(Button, Bohac, Hilderbran)

S.B. No. 656

A BILL TO BE ENTITLED

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 Subsection (d) 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 bonds and other debt
22 obligations owed by the municipality.

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

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

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

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

6 (B) the record vote described by Section
7 102.007(d)(2) is posted on the website at least until the first
8 anniversary of the date the budget is adopted.

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

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

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

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

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

27 (A) "This budget will raise more revenue from

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

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

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

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

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

24 (A) the property tax rate;

25 (B) the effective tax rate;

26 (C) the effective maintenance and operations tax
27 rate;

- 1 (D) the rollback tax rate; and
- 2 (E) the debt rate; and
- 3 (4) the total amount of bonds and other debt
- 4 obligations owed by the county.

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

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

- 10 (1) file the budget with the county clerk; and
- 11 (2) if the county maintains an Internet website, take
- 12 action to ensure that:

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

15 (B) the record vote described by Section
16 111.008(d)(2) is posted on the website at least until the first
17 anniversary of the date the budget is adopted.

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

25 SECTION 5. Section 111.039, Local Government Code, is
26 amended by amending Subsection (a) and adding Subsection (d) to
27 read as follows:

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

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

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

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

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

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

27 (2) the record vote of each member of the

1 commissioners court by name voting on the adoption of the budget;
2 (3) the county property tax rates for the preceding
3 fiscal year, and each county property tax rate that has been adopted
4 or calculated for the current fiscal year, including:
5 (A) the property tax rate;
6 (B) the effective tax rate;
7 (C) the effective maintenance and operations tax
8 rate;
9 (D) the rollback tax rate; and
10 (E) the debt rate; and
11 (4) the total amount of bonds and other debt
12 obligations owed by the county.

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

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

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

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

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

24 (B) the record vote described by Section
25 111.039(d)(2) is posted on the website at least until the first
26 anniversary of the date the budget is adopted.

27 (b) The commissioners court shall take action to ensure that

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

7 SECTION 7. Section 111.068, Local Government Code, is
8 amended by amending Subsection (a) and adding Subsection (c) to
9 read as follows:

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

13 (c) An adopted budget must contain a cover page that
14 includes:

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

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

24 (B) "This budget will raise less revenue from
25 property taxes than last year's budget by an amount of (insert total
26 dollar amount of decrease), which is a (insert percentage decrease)
27 percent decrease from last year's budget. The property tax revenue

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

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

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

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

14 (A) the property tax rate;

15 (B) the effective tax rate;

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

18 (D) the rollback tax rate; and

19 (E) the debt rate; and

20 (4) the total amount of bonds and other debt
21 obligations owed by the county.

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

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

27 (1) file a copy of the budget with the county auditor

1 and the county clerk; and

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

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

6 (B) the record vote described by Section
7 111.068(c)(2) is posted on the website at least until the first
8 anniversary of the date the budget is adopted.

9 (b) The commissioners court shall take action to ensure that
10 the cover page of the budget is amended to include the property tax
11 rates required by Section 111.068(c)(3) for the current fiscal year
12 if the rates are not included on the cover page when the budget is
13 filed with the county clerk. The commissioners court shall file an
14 amended cover page with the county clerk and take action to ensure
15 that the amended cover page is posted on the county's website.

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

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