Amend **SB 1** (senate committee printing) as follows:

(1)   In the recital to SECTION 34 of the bill (page 17, line 28), strike "(b-4), (b-5), (b-6), and (b-7)" and substitute "and (b-4)".

(2)   In SECTION 34 of the bill (page 18, line 12, through page 19, line 52), strike added Sections 26.06(b-1), (b-2), and (b-3), Tax Code.

(3)   In SECTION 34 of the bill, in added Section 26.06(b-4), Tax Code (page 19, lines 53 and 54), strike "(b-4) This subsection and Subsections (b-5) and (b-6) apply only to a taxing unit other than a small taxing unit." and substitute "(b-1)".

(4)   In SECTION 34 of the bill, in added Section 26.06(b-5), Tax Code (page 20, line 25), strike "(b-5)" and substitute "(b-2)".

(5)   In SECTION 34 of the bill, in added Section 26.06(b-6), Tax Code (page 20, line 61), strike "(b-6)" and substitute "(b-3)".

(6)   In SECTION 34 of the bill, strike added Section 26.06(b-7), Tax Code (page 21, lines 31 through 34), and substitute the following:

(b-4)   In addition to including the information described by Subsection (b-1), (b-2), or (b-3), as applicable, the notice must include the information described by Section 26.062.

(7)   In SECTION 35 of the bill, strike added Section 26.061(b), Tax Code (page 22, lines 32 through 69), and substitute the following:

(b)   The notice of the meeting at which the governing body of the taxing unit will vote on the proposed tax rate must contain a statement in the following form:

"NOTICE OF MEETING TO VOTE ON TAX RATE

"PROPOSED TAX RATE $_____per $100

"EQUIVALENT TAX RATE $_____per $100

"ROLLBACK TAX RATE $_____per $100

"The equivalent tax rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The rollback tax rate is the highest tax rate that (name of

taxing unit) may adopt without holding an election to ratify the rate.

"The proposed tax rate is not greater than the equivalent tax rate. This means that (name of taxing unit) is not proposing to increase property taxes for the (current tax year) tax year.

"A public meeting to vote on the proposed tax rate will be held on (date and time) at (meeting place).

"The proposed tax rate is also not greater than the rollback tax rate. As a result, (name of taxing unit) is not required to hold an election to ratify the rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the (name of governing body) of (name of taxing unit) at their offices or by attending the public meeting mentioned above.

"Your taxes owed under any of the above rates can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

"(Names of all members of the governing body, showing how each voted on the proposed tax rate or, if one or more were absent, indicating the absences.)"

(8) Strike SECTIONS 37 and 38 of the bill (page 24, line 63, through page 25, line 25).

(9) In SECTION 39 of the bill, in the heading to amended Section 26.08, Tax Code (page 25, line 29), strike "OTHER THAN SMALL TAXING UNIT".

(10) In SECTION 40 of the bill, in amended Section 26.08(a), Tax Code (page 25, lines 33 and 34), strike "other than a small taxing unit".

(11) In SECTION 43 of the bill, in amended Section 26.16(d), Tax Code (page 28, lines 17 through 25), strike the definition of the rollback tax rate and substitute the following:

"The rollback tax rate is the highest tax rate a taxing unit may adopt before requiring voter approval at an election. An [~~In the case of a taxing unit other than a school district, the voters by petition may require that a rollback election be held if the unit adopts a tax rate in excess of the unit's rollback tax rate. In the case of a school district, an~~] election will automatically be held

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if a taxing unit [the district] wishes to adopt a tax rate in excess of the unit's [district's] rollback tax rate."

(12) Strike SECTIONS 45 and 46 of the bill (page 30, line 35, through page 31, line 15) and substitute the following appropriately numbered SECTIONS:

SECTION ____. Sections 31.12(a) and (b), Tax Code, as amended by S.B. 2242, Acts of the 85th Legislature, Regular Session, 2017, are amended to read as follows:

(a) If a refund of a tax provided by Section 11.431(b), 26.08(d-2) [26.07(g)], 26.15(f), 31.11, 31.111, or 31.112 is paid on or before the 60th day after the date the liability for the refund arises, no interest is due on the amount refunded. If not paid on or before that 60th day, the amount of the tax to be refunded accrues interest at a rate of one percent for each month or part of a month that the refund is unpaid, beginning with the date on which the liability for the refund arises.

(b) For purposes of this section, liability for a refund arises:

(1) if the refund is required by Section 11.431(b), on the date the chief appraiser notifies the collector for the unit of the approval of the late homestead exemption;

(2) if the refund is required by Section 26.08(d-2) [26.07(g)], on the date the subsequent tax rate is adopted [results of the election to reduce the tax rate are certified];

(3) if the refund is required by Section 26.15(f):

(A) for a correction to the tax roll made under Section 26.15(b), on the date the change in the tax roll is certified to the assessor for the taxing unit under Section 25.25; or

(B) for a correction to the tax roll made under Section 26.15(c), on the date the change in the tax roll is ordered by the governing body of the taxing unit;

(4) if the refund is required by Section 31.11, on the date the auditor for the taxing unit determines that the payment was erroneous or excessive or, if the amount of the refund exceeds the applicable amount specified by Section 31.11(a), on the date the governing body of the unit approves the refund;

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(5) if the refund is required by Section 31.111, on the date the collector for the taxing unit determines that the payment was erroneous; or

(6) if the refund is required by Section 31.112, on the date required by Section 31.112(d) or (e), as applicable.

SECTION _____. Section 33.08(b), Tax Code, is amended to read as follows:

(b) The governing body of the taxing unit or appraisal district, in the manner required by law for official action, may provide that taxes that become delinquent on or after June 1 under Section 26.08(d-1) [26.07(f)], 26.15(e), 31.03, 31.031, 31.032, 31.04, or 42.42 incur an additional penalty to defray costs of collection. The amount of the penalty may not exceed the amount of the compensation specified in the applicable contract with an attorney under Section 6.30 to be paid in connection with the collection of the delinquent taxes.

(13) In SECTION 54 of the bill, in amended Section 130.016(b), Education Code (page 34, line 11), strike "26.07 or 26.08, Tax Code, as applicable" and substitute "26.08 [26.07], Tax Code".

(14) Strike SECTION 56 of the bill (page 34, lines 18 through 31) and substitute the following appropriately numbered SECTION:

SECTION _____. Sections 281.124(d) and (e), Health and Safety Code, are amended to read as follows:

(d) If a majority of the votes cast in the election favor the proposition, the tax rate for the specified tax year is the rate approved by the voters, and that rate is not subject to [a rollback election under] Section 26.08 [26.07], Tax Code. The board shall adopt the tax rate as provided by Chapter 26, Tax Code.

(e) If the proposition is not approved as provided by Subsection (c), the board may not adopt a tax rate for the district for the specified tax year that exceeds the rate that was not approved, and Section 26.08 [26.07], Tax Code, applies to the adopted rate if that rate exceeds the district's rollback tax rate.

(15) Add the following appropriately numbered SECTION to the bill:

SECTION _____. Section 1101.254(f), Special District Local Laws Code, is amended to read as follows:

(f) This section does not affect the applicability of [any rights district voters may have to petition for an election under] Section 26.08 [26.07], Tax Code, to the district's tax rate, except that if district voters approve a tax rate increase under this section, [the voters may not petition for an election under] Section 26.08 [26.07], Tax Code, does not apply [as] to the tax rate for that year.

(16) Strike SECTIONS 61 and 62 of the bill (page 36, lines 42 through 69) and substitute the following appropriately numbered SECTIONS:

SECTION _____. Sections 1122.2522, 3828.157, and 8876.152, Special District Local Laws Code, are amended to read as follows:

Sec. 1122.2522. ROLLBACK TAX RATE PROVISIONS APPLICABLE. [(a)] If in any year the board adopts a tax rate that exceeds the rollback tax rate calculated as provided by Chapter 26, Tax Code, [the qualified voters of the district by petition may require that] an election under Section 26.08 of that code must be held to determine whether or not to approve [reduce] the tax rate adopted by the board for that year [to the rollback tax rate].

[(b) To the extent a conflict exists between this section and a provision of the Tax Code, the provision of the Tax Code prevails.]

Sec. 3828.157. INAPPLICABILITY OF CERTAIN TAX CODE PROVISIONS. Sections 26.04, 26.05, and 26.08 [26.07], Tax Code, do not apply to a tax imposed under Section 3828.153 or 3828.156.

Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS. (a) Sections 26.04, 26.05, 26.06, 26.061, and 26.08 [26.07], Tax Code, do not apply to a tax imposed by the district.

(b) Sections 49.236(a)(1) and (2) and (b) [Section 49.236], Water Code, apply [as added by Chapter 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session, 2003, applies] to the district.

(17) In SECTION 63 of the bill, in amended Section 49.107(g), Water Code (page 37, line 3), strike "[and] 26.07, and 26.08," and substitute "and 26.08 [26.07],".

(18) In SECTION 64 of the bill, in amended Section

49.108(f), Water Code (page 37, line 9), strike "[and] 26.07, and 26.08," and substitute "and 26.08 [26.07],".

(19) Strike SECTION 65 of the bill (page 37, line 12, through page 38, line 14) and substitute the following appropriately numbered SECTION:

SECTION ____. Sections 49.236(a) and (d), Water Code, as added by Chapter 335 (S.B. 392), Acts of the 78th Legislature, Regular Session, 2003, are amended to read as follows:

(a) Before the board adopts an ad valorem tax rate for the district for debt service, operation and maintenance purposes, or contract purposes, the board shall give notice of each meeting of the board at which the adoption of a tax rate will be considered. The notice must:

(1) contain a statement in substantially the following form:

"NOTICE OF PUBLIC HEARING ON TAX RATE

"The (name of the district) will hold a public hearing on a proposed tax rate for the tax year (year of tax levy) on (date and time) at (meeting place). Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the tax rate that is adopted and on the change in the taxable value of your property in relation to the change in taxable value of all other property [and the tax rate that is adopted]. The change in the taxable value of your property in relation to the change in the taxable value of all other property determines the distribution of the tax burden among all property owners.

"(Names of all board members and, if a vote was taken, an indication of how each voted on the proposed tax rate and an indication of any absences.)";

(2) contain the following information:

(A) the district's total adopted tax rate for the preceding year and the proposed tax rate, expressed as an amount per $100;

(B) the difference, expressed as an amount per $100 and as a percent increase or decrease, as applicable, in the proposed tax rate compared to the adopted tax rate for the preceding year;

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(C)   the average appraised value of a residence homestead in the district in the preceding year and in the current year; the district's total homestead exemption, other than an exemption available only to disabled persons or persons 65 years of age or older, applicable to that appraised value in each of those years; and the average taxable value of a residence homestead in the district in each of those years, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older;

(D)   the amount of tax that would have been imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older;

(E)   the amount of tax that would be imposed by the district in the current year on a residence homestead appraised at the average appraised value of a residence homestead in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, if the proposed tax rate is adopted; [and]

(F)   the difference between the amounts of tax calculated under Paragraphs (D) and (E), expressed in dollars and cents and described as the annual percentage increase or decrease, as applicable, in the tax to be imposed by the district on the average residence homestead in the district in the current year if the proposed tax rate is adopted; and

(G)   if the proposed combined debt service, operation and maintenance, and contract tax rate exceeds the rollback tax rate, a description of the purpose of the proposed tax increase; and

(3)   contain a statement in substantially the following form:

"NOTICE OF VOTE ON TAX RATE [TAXPAYERS' RIGHT TO ROLLBACK ELECTION]

"If operation and maintenance taxes on the average residence homestead increase by more than eight percent, [the qualified voters of the district by petition may require that] an election

must be held to determine whether to ratify [reduce] the operation and maintenance tax rate [to the rollback tax rate] under Section 49.236(d), Water Code."

(d) If the governing body of a district adopts a combined debt service, operation and maintenance, and contract tax rate that exceeds the rollback tax rate, [would impose more than 1.08 times the amount of tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, the qualified voters of the district by petition may require that] an election must be held to determine whether [or not] to ratify [reduce] the tax rate adopted for the current year [to the rollback tax rate] in accordance with the procedures provided by Sections 26.08(b)-(d) [26.07(b)-(g) and 26.081], Tax Code. For purposes of Sections 26.08(b)-(d) [26.07(b)-(g)] and this section [subsection], the rollback tax rate is the sum of the following tax rates:

(1) the current year's debt service tax rate;

(2) the current year's [and] contract tax rate; and

(3) [rates plus] the operation and maintenance tax rate that would impose 1.08 times the amount of the operation and maintenance tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older.

(20) Strike SECTION 66 of the bill (page 38, lines 15 through 30) and substitute the following appropriately numbered SECTION:

(1) Sections 403.302(m-1) and (n), Government Code;

(2) Section 140.010, Local Government Code;

(3) Section 1063.255, Special District Local Laws Code;

(4) Section 26.07, Tax Code;

(5) Section 49.236, Water Code, as added by Chapter 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session,

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2003;

(6)   Section 49.2361, Water Code;

(7)   Section 1, H.B. 2228, Acts of the 85th Legislature, Regular Session, 2017, which amended Section 11.4391(a), Tax Code;

(8)   Section 3, H.B. 2228, Acts of the 85th Legislature, Regular Session, 2017, which added Sections 22.23(c) and (d), Tax Code; and

(9)   Section 5, H.B. 2228, Acts of the 85th Legislature, Regular Session, 2017, which amended Sections 41.44(a) and (c), Tax Code.

(21)   Renumber the SECTIONS of the bill accordingly.