

By: Button

H.B. No. 3176

A BILL TO BE ENTITLED

AN ACT

relating to the Texas Economic Development Act.

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

SECTION 1. Subchapter A, Chapter 313, Tax Code, is amended by adding Section 313.008 to read as follows:

Sec. 313.008. CONFLICT OF INTEREST. (a) A member of the board of trustees of a school district with which an application for a limitation on appraised value is filed under this chapter shall disclose in writing to the board president and the comptroller if the member has an interest in a matter related to the application or has a substantial financial interest in an entity that has a direct interest in a matter related to the application.

(b) The member shall recuse himself or herself from the board's deliberations on matters relating to the application and may not participate in any decision by the board on those matters.

(c) A person has a substantial financial interest in an entity if the person:

(1) is an employee, member, director, or officer of the entity; or

(2) owns or controls, directly or indirectly, more than a five percent interest in the entity.

SECTION 2. Section 313.027(i), Tax Code, is amended to read as follows:

(i) A person and the school district may not enter into an

1 agreement under which the person agrees to provide supplemental
2 payments to a school district or any other entity on behalf of a
3 school district in an amount that exceeds an amount equal to the
4 greater of \$100 per student per year in average daily attendance, as
5 defined by Section 42.005, Education Code, or \$37,500 [~~\$50,000~~] per
6 year, or for a period that exceeds the period beginning with the
7 period described by Section 313.021(4) and ending December 31 of
8 the third tax year after the date the person's eligibility for a
9 limitation under this chapter expires. This limit does not apply
10 to amounts described by Subsection (f)(1) or (2).

11 SECTION 3. Section 313.032(c), Tax Code, is amended to read
12 as follows:

13 (c) The portion of the report described by Subsection (a)(2)
14 must be based on data certified to the comptroller by each recipient
15 or former recipient of a limitation on appraised value under this
16 chapter. The comptroller shall verify the data using any source the
17 comptroller considers reliable.

18 SECTION 4. Section 313.027(i), Tax Code, as amended by this
19 Act, applies only to an agreement entered into pursuant to an
20 application filed under Chapter 313, Tax Code, on or after the
21 effective date of this Act. An agreement entered into pursuant to
22 an application filed under that chapter before the effective date
23 of this Act is governed by the law in effect on the date the
24 application was filed, and the former law is continued in effect for
25 that purpose.

26 SECTION 5. This Act takes effect September 1, 2017.