

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 2, 2017

TO: Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2868 by Hefner (Relating to the adoption of the budget of an appraisal district.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 6 of the Tax Code, regarding local property tax administration. In current law, conservation and reclamation districts participating in an appraisal district are given, in certain instances, the vote or authority of one taxing unit in votes on certain specified matters including the disapproval of the appraisal district budget. The bill would strike the disapproval of the appraisal district budget.

An appraisal district board of directors would be required to submit a proposed appraisal district budget to each specified taxing unit for final approval. Not later than the 30th day after the date the proposed budget is submitted to the taxing units, the governing body of each specified taxing unit would be required to vote to approve or disapprove the proposed budget. The budget would not take effect unless the governing bodies of a majority of the taxing units entitled to vote on the appointment of board members vote to approve the budget by that date. The bill would strike language regarding the requirement that a majority of certain taxing units disapprove an appraisal district budget in order to prevent the budget from taking effect, and would make other revisions and clarifications regarding the proposed appraisal district budget and budget notices.

The bill would not affect taxable property values, tax rates, collection rates, or any other variable which might affect the revenues of units of local governments or the state.

The bill would take effect September 1, 2017, and would apply only to a proposed appraisal district budget for which a public hearing is held, as required, on or after the effective date.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD, SJS