

Amend Floor Amendment No. 1 to CSSB 2 (Senate Committee Report) by adding the following appropriately numbered SECTIONS to the bill and renumbering the subsequent SECTIONS of the substitute accordingly:

SECTION _____. Chapter 26, Tax Code, is amended by adding Section 26.0442 to read as follows:

Sec. 26.0442. TAX RATE ADJUSTMENT FOR DISASTER RELIEF EXPENDITURES. (a) In this section, "expenditures for disaster relief" for a tax year means the amount of expenditures other than expenditures from debt made by a taxing unit in the period beginning on July 1 of the year preceding the tax year for which the tax is adopted and ending on June 30 of the tax year for which the tax is adopted on costs for disaster relief, including mutual aid for police and fire service, debris removal, infrastructure repairs and mitigation, and financial contributions made by the taxing unit to a federal community development block grant.

(b) If a taxing unit's expenditures for disaster relief exceed the amount of those expenditures for the preceding tax year, the no-new-revenue maintenance and operations rate for the taxing unit is increased by the rate computed according to the following formula:

$$\frac{\text{(Current Tax Year's expenditures for disaster relief - Preceding Tax Year's expenditures for disaster relief)}}{\text{(Current Total Value - New Property Value)}}$$

(c) The taxing unit shall include a notice of the increase in the no-new-revenue maintenance and operations rate provided by this section, including a description and the amount of the expenditures for disaster relief, in the information published under Section 26.04(e) and, as applicable, in the notice prescribed by Section 26.06 or 26.061.

SECTION _____. Section 26.0442, Tax Code, as added by this Act, applies to the no-new-revenue maintenance and operations rate of a taxing unit beginning with the 2020 tax year.