FLOOR AMENDMENT NO._____          BY: _____

1       Amend C.S.H.B. No. 2 (house committee printing) by adding the

2   following appropriately numbered SECTION to the bill and

3   renumbering the subsequent SECTIONS of the bill accordingly:

4       SECTION ____. Chapter 26, Tax Code, is amended by adding

5   Section 26.0442 to read as follows:

6       Sec. 26.0442. TAX RATE ADJUSTMENT FOR WATER PROJECT

7   EXPENDITURES. (a) In this section, "water project expenditures"

8   for a tax year means the amount of expenditures other than

9   expenditures from debt made by a taxing unit in the period beginning

10  on July 1 of the year preceding the tax year for which the tax is

11  adopted and ending on June 30 of the tax year for which the tax is

12  adopted on costs to finance projects included in the state water

13  plan for which financial assistance was provided by the Texas Water

14  Development Board under Subchapter G, Chapter 15, Water Code.

15      (b) If a taxing unit's water project expenditures exceed the

16  amount of those expenditures for the preceding tax year, the

17  no-new-revenue maintenance and operations rate for the taxing unit

18  is increased by the rate computed according to the following

19  formula:

20      (Current Tax Year's Water Project Expenditures -

21      Preceding Tax Year's Water Project Expenditures) /

22      (Current Total Value - New Property Value)

23      (c) The taxing unit shall include a notice of the increase

24  in the no-new-revenue maintenance and operations rate provided by

25  this section, including a description and the amount of the water

26  project expenditures, in the information published under Section

27  26.04(e) and, as applicable, in the notice prescribed by Section

28  26.06 or 26.061.

86R25509 SMH-D                     1