86R37264 CJC/TJB-D

By:  Burrows H.C.R. No. 192

CONCURRENT RESOLUTION

WHEREAS, Senate Bill No. 2 has been adopted by the senate and the house of representatives and is being prepared for enrollment; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 86th Legislature of the State of Texas, That the enrolling clerk of the senate be instructed to make the following corrections to the enrolled version of Senate Bill No. 2:

(1)  In SECTION 52 of the bill, in added Section 26.075(b)(2)(A), Tax Code (page 87, line 7), between "(A)" and "lower than", insert "equal to or".

(2)  In SECTION 56 of the bill, in added Section 26.16(d-2), Tax Code (page 93, line 9), strike "Not later than August 7" and substitute "By August 7 or as soon thereafter as practicable".

(3)  In SECTION 88 of the bill, strike amended Section 49.236(a)(3), Water Code, as added by Chapter 335 (S.B. 392), Acts of the 78th Legislature, Regular Session, 2003 (page 131, line 27, through page 132, line 26), and substitute the following:

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

(A)  if the district is a district described by Section 49.23601:

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

"If the district adopts a combined debt service, operation and maintenance, and contract tax rate that would result in the taxes on the average residence homestead increasing [~~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 approve [~~reduce~~] the operation and maintenance tax rate [~~to the rollback tax rate~~] under Section 49.23601 [~~49.236(d)~~], Water Code.";

(B)  if the district is a district described by Section 49.23602:

"NOTICE OF VOTE ON TAX RATE

"If the district adopts a combined debt service, operation and maintenance, and contract tax rate that would result in the taxes on the average residence homestead increasing by more than 3.5 percent, an election must be held to determine whether to approve the operation and maintenance tax rate under Section 49.23602, Water Code."; or

(C)  if the district is a district described by Section 49.23603:

"NOTICE OF TAXPAYERS' RIGHT TO ELECTION TO REDUCE TAX RATE

"If the district adopts a combined debt service, operation and maintenance, and contract tax rate that would result in the taxes on the average residence homestead increasing by more than eight percent, the qualified voters of the district by petition may require that an election be held to determine whether to reduce the operation and maintenance tax rate to the voter-approval tax rate under Section 49.23603, Water Code."; and

(4)  In SECTION 89 of the bill, strike added Section 49.23601(c), Water Code (page 133, line 24, through page 134, line 2), and substitute the following:

(c)  If the board of a district adopts a combined debt service, contract, and operation and maintenance tax rate that 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, an election must be held in accordance with the procedures provided by Sections 26.07(c)-(g), Tax Code, to determine whether to approve the adopted tax rate. If the adopted tax rate is not approved at the election, the district's tax rate is the voter-approval tax rate.

(5)  In SECTION 89 of the bill, strike added Section 49.23602, Water Code (page 134, line 3, through page 135, line 22), and substitute the following:

Sec. 49.23602.  AUTOMATIC ELECTION TO APPROVE TAX RATE FOR CERTAIN DEVELOPED DISTRICTS. (a) In this section:

(1)  "Developed district" means a district that has financed, completed, and issued bonds to pay for all land, works, improvements, facilities, plants, equipment, and appliances necessary to serve at least 95 percent of the projected build-out of the district in accordance with the purposes for its creation or the purposes authorized by the constitution, this code, or any other law.

(2)  "Mandatory tax election rate" means the rate equal to the sum of the following tax rates for the district:

(A)  the rate that would impose 1.035 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; and

(B)  the unused increment rate.

(3)  "Unused increment rate" has the meaning assigned by Section 26.013, Tax Code.

(4)  "Voter-approval tax rate" means the rate equal to the sum of the following tax rates for the district:

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

(B)  the current year's contract tax rate;

(C)  the operation and maintenance tax rate that would impose 1.035 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; and

(D)  the unused increment rate.

(b)  This section applies only to a developed district that is not a district described by Section 49.23601.

(c)  If the board of a district adopts a combined debt service, contract, and operation and maintenance tax rate that exceeds the district's mandatory tax election rate, an election must be held in accordance with the procedures provided by Sections 26.07(c)-(g), Tax Code, to determine whether to approve the adopted tax rate. If the adopted tax rate is not approved at the election, the district's tax rate is the voter-approval tax rate.

(d)  Notwithstanding any other provision of this section, the board of a district may give notice under Section 49.236(a)(3)(A), determine whether an election is required to approve the adopted tax rate of the district in the manner provided for a district under Section 49.23601(c), and calculate the voter-approval tax rate of the district in the manner provided for a district under Section 49.23601(a) if any part of the district is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. The board may continue doing so until the earlier of:

(1)  the second tax year in which the total taxable value of property taxable by the district as shown on the appraisal roll for the district submitted by the assessor for the district to the board exceeds the total taxable value of property taxable by the district on January 1 of the tax year in which the disaster occurred; or

(2)  the third tax year after the tax year in which the disaster occurred.

(6)  In SECTION 89 of the bill, strike added Section 49.23603(c), Water Code (page 136, lines 11-17), and substitute the following:

(c)  If the board of a district adopts a combined debt service, contract, and operation and maintenance tax rate that 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 be held to determine whether to reduce the tax rate adopted for the current year to the voter-approval tax rate in accordance with the procedures provided by Sections 26.075 and 26.081, Tax Code.