

By: Burrows

H.B. No. 2

Substitute the following for H.B. No. 2:

By: Murphy

C.S.H.B. No. 2

A BILL TO BE ENTITLED

AN ACT

relating to ad valorem taxation; authorizing fees.

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

SECTION 1. This Act may be cited as the Texas Taxpayer Transparency Act of 2019.

SECTION 2. Section 1.085(a), Tax Code, is amended to read as follows:

(a) Notwithstanding any other provision in this title and except as provided by this section, any notice, rendition, application form, or completed application, or information requested under Section 41.461(a)(2), that is required or permitted by this title to be delivered between a chief appraiser, an appraisal district, an appraisal review board, or any combination of those persons and a property owner or ~~[between a chief appraiser, an appraisal district, an appraisal review board, or any combination of those persons and]~~ a person designated by a property owner under Section 1.111(f) may be delivered in an electronic format if the chief appraiser and the property owner or person designated by the owner agree under this section.

SECTION 3. Chapter 5, Tax Code, is amended by adding Section 5.01 to read as follows:

Sec. 5.01. PROPERTY TAX ADMINISTRATION ADVISORY BOARD.

(a) The comptroller shall appoint the property tax administration advisory board to advise the comptroller with respect to the

division or divisions within the office of the comptroller with primary responsibility for state administration of property taxation and state oversight of appraisal districts. The advisory board may make recommendations to the comptroller regarding improving the effectiveness and efficiency of the property tax system, best practices, and complaint resolution procedures.

(b) The advisory board is composed of at least six members appointed by the comptroller. The members of the board should include:

(1) representatives of property tax payers, appraisal districts, assessors, and school districts; and

(2) a person who has knowledge or experience in conducting ratio studies.

(c) The members of the advisory board serve at the pleasure of the comptroller.

(d) Any advice to the comptroller relating to a matter described by Subsection (a) that is provided by a member of the advisory board must be provided at a meeting called by the comptroller.

(e) Chapter 2110, Government Code, does not apply to the advisory board.

SECTION 4. Sections 5.041(b), (c), (e-1), and (e-3), Tax Code, are amended to read as follows:

(b) A member of the appraisal review board established for an appraisal district must complete the course established under Subsection (a). The course must provide at least eight hours of classroom training and education. A member of the appraisal review

board may not participate in a hearing conducted by the board unless the person has completed the course established under Subsection (a) and received a certificate of course completion.

(c) The comptroller may contract with service providers to assist with the duties imposed under Subsection (a), but the course required may not be provided by an appraisal district, the chief appraiser or another employee of an appraisal district, a member of the board of directors of an appraisal district, a member of an appraisal review board, or a taxing unit. The comptroller may assess a fee to recover a portion of the costs incurred for the training course, but the fee may not exceed \$50 for each ~~[per]~~ person trained. If the training is provided to an individual other than a member of an appraisal review board, the comptroller may assess a fee not to exceed \$50 for each person trained.

(e-1) In addition to the course established under Subsection (a), the comptroller shall approve curricula and provide materials for use in a continuing education course for members of an appraisal review board. The course must provide at least four hours of classroom training and education. The curricula and materials must include information regarding:

(1) the cost, income, and market data comparison methods of appraising property;

(2) the appraisal of business personal property;

(3) the determination of capitalization rates for property appraisal purposes;

(4) the duties of an appraisal review board;

(5) the requirements regarding the independence of an

1 appraisal review board from the board of directors and the chief
2 appraiser and other employees of the appraisal district;

3 (6) the prohibitions against ex parte communications
4 applicable to appraisal review board members;

5 (7) the Uniform Standards of Professional Appraisal
6 Practice;

7 (8) the duty of the appraisal district to substantiate
8 the district's determination of the value of property;

9 (9) the requirements regarding the equal and uniform
10 appraisal of property;

11 (10) the right of a property owner to protest the
12 appraisal of the property as provided by Chapter 41; and

13 (11) a detailed explanation of each of the actions
14 described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413,
15 41.42, and 41.43 so that members are fully aware of each of the
16 grounds on which a property appraisal can be appealed.

17 (e-3) The comptroller may contract with service providers
18 to assist with the duties imposed under Subsection (e-1), but the
19 course required by that subsection may not be provided by an
20 appraisal district, the chief appraiser or another employee of an
21 appraisal district, a member of the board of directors of an
22 appraisal district, a member of an appraisal review board, or a
23 taxing unit. The comptroller may assess a fee to recover a portion
24 of the costs incurred for the continuing education course, but the
25 fee may not exceed \$50 for each person trained. If the training is
26 provided to an individual other than a member of an appraisal review
27 board, the comptroller may assess a fee not to exceed \$50 for each

1 person trained.

2 SECTION 5. Chapter 5, Tax Code, is amended by adding Section
3 5.043 to read as follows:

4 Sec. 5.043. TRAINING OF ARBITRATORS. (a) This section
5 applies only to persons who have agreed to serve as arbitrators
6 under Chapter 41A.

7 (b) The comptroller shall:

8 (1) approve curricula and provide an arbitration
9 manual and other materials for use in training and educating
10 arbitrators;

11 (2) make all materials for use in training and
12 educating arbitrators freely available online; and

13 (3) establish and supervise a training program on
14 property tax law for the training and education of arbitrators.

15 (c) The training program must:

16 (1) emphasize the requirements regarding the equal and
17 uniform appraisal of property; and

18 (2) be at least four hours in length.

19 (d) The training program may be provided online. The
20 comptroller by rule may prescribe the manner by which the
21 comptroller may verify that a person taking the training program
22 online has taken and completed the program.

23 (e) The comptroller may contract with service providers to
24 assist with the duties imposed under Subsection (b), but the
25 training program may not be provided by an appraisal district, the
26 chief appraiser or another employee of an appraisal district, a
27 member of the board of directors of an appraisal district, a member

1 of an appraisal review board, or a taxing unit. The comptroller may
2 assess a fee to recover a portion of the costs incurred for the
3 training program, but the fee may not exceed \$50 for each person
4 trained.

5 (f) The comptroller shall prepare an arbitration manual for
6 use in the training program. The manual shall be updated regularly
7 and may be revised on request, in writing, to the comptroller. The
8 revised language must be approved by the unanimous agreement of a
9 committee selected by the comptroller and representing, equally,
10 taxpayers and chief appraisers. The person requesting the revision
11 must pay the costs of mediation if the comptroller determines that
12 mediation is required.

13 SECTION 6. Section 5.05, Tax Code, is amended by adding
14 Subsection (c-1) to read as follows:

15 (c-1) An appraisal district shall appraise property in
16 accordance with any appraisal manuals required by law to be
17 prepared and issued by the comptroller.

18 SECTION 7. Section 5.07, Tax Code, is amended by adding
19 Subsections (f), (g), (h), (i), and (j) to read as follows:

20 (f) The comptroller shall prescribe tax rate calculation
21 forms to be used by the designated officer or employee of each:

22 (1) taxing unit other than a school district to
23 calculate and submit the no-new-revenue tax rate and the rollback
24 tax rate for the taxing unit as required by Chapter 26; and

25 (2) school district to:

26 (A) calculate and submit the no-new-revenue tax
27 rate and the rollback tax rate for the district as required by

1 Chapter 26; and

2 (B) submit the rate to maintain the same amount
3 of state and local revenue per weighted student that the district
4 received in the school year beginning in the preceding tax year as
5 required by Chapter 26.

6 (g) The forms described by Subsection (f) must be in an
7 electronic format and:

8 (1) have blanks that can be filled in electronically;
9 (2) be capable of being certified by the designated
10 officer or employee after completion as accurately calculating the
11 applicable tax rates and using values that are the same as the
12 values shown in the taxing unit's certified appraisal roll; and

13 (3) be capable of being electronically incorporated
14 into the property tax database maintained by each appraisal
15 district under Section 26.17 and submitted electronically to the
16 county assessor-collector of each county in which all or part of the
17 territory of the taxing unit is located.

18 (h) For purposes of Subsections (f) and (g), the comptroller
19 shall use the forms published on the comptroller's Internet website
20 as of January 1, 2019, modified as necessary to comply with the
21 requirements of this section. The comptroller shall update the
22 forms as necessary to reflect formatting or other nonsubstantive
23 changes.

24 (i) The comptroller may revise the forms to reflect
25 substantive changes other than those described by Subsection (h) or
26 on receipt of a request in writing. A revision under this
27 subsection must be approved by the agreement of a majority of the

members of a committee selected by the comptroller who are present at a committee meeting at which a quorum is present. The members of the committee must represent, equally, taxpayers, taxing units or persons designated by taxing units, and assessors. In the case of a revision for which the comptroller receives a request in writing, the person requesting the revision shall pay the costs of mediation if the comptroller determines that mediation is required.

(j) A meeting of the committee held under Subsection (i) is not subject to the requirements of Chapter 551, Government Code.

SECTION 8. Section 5.09(a), Tax Code, is amended to read as follows:

(a) The comptroller shall prepare a biennial report of the total appraised values and taxable values of taxable property by category and the tax rates of each county, municipality, special district, and school district in effect for the two years preceding the year in which the report is prepared. The comptroller shall review and verify the values and tax rates reported to the comptroller for the purpose of preparing the report and prepare the report so that the information provided to the comptroller is presented in a consistent manner.

SECTION 9. Section 5.091, Tax Code, is amended to read as follows:

Sec. 5.091. STATEWIDE LIST OF TAX RATES. (a) Each year the comptroller shall prepare a list that includes the total tax rate imposed by each taxing unit in this state, as ~~[other than a school district, if the tax rate is]~~ reported to the comptroller by each appraisal district, for the year ~~[preceding the year]~~ in which the

list is prepared. The comptroller shall:

(1) prescribe the manner in which and deadline by which appraisal districts are required to submit the tax rates to the comptroller; and

(2) list the tax rates alphabetically according to:

(A) the county or counties in which each taxing unit is located; and

(B) the name of each taxing unit [~~in descending order~~].

(b) Not later than January 1 [~~December 31~~] of the following [~~each~~] year, the comptroller shall publish on the comptroller's Internet website the list required by Subsection (a).

SECTION 10. Sections 5.102(a) and (c), Tax Code, are amended to read as follows:

(a) At least once every two years, the comptroller shall review the governance of each appraisal district, the taxpayer assistance provided by each appraisal district, and the operating and appraisal standards, procedures, and methodology used by each appraisal district, to determine compliance with generally accepted standards, procedures, and methodology, including compliance with standards, procedures, and methodology prescribed by any appraisal manuals required by law to be prepared and issued by the comptroller. After consultation with the property tax administration advisory board [~~committee created under Section 403.302, Government Code~~], the comptroller by rule may establish procedures and standards for conducting and scoring the review.

(c) At the conclusion of the review, the comptroller shall,

1 in writing, notify the appraisal district concerning its
2 performance in the review. If the review results in a finding that
3 an appraisal district is not in compliance with generally accepted
4 standards, procedures, and methodology, including compliance with
5 standards, procedures, and methodology prescribed by any appraisal
6 manuals required by law to be prepared and issued by the
7 comptroller, the comptroller shall deliver a report that details
8 the comptroller's findings and recommendations for improvement to:

9 (1) the appraisal district's chief appraiser and board
10 of directors; and

11 (2) the superintendent and board of trustees of each
12 school district participating in the appraisal district.

13 SECTION 11. Chapter 5, Tax Code, is amended by adding
14 Section 5.104 to read as follows:

15 Sec. 5.104. APPRAISAL REVIEW BOARD SURVEY; REPORT. (a) The
16 comptroller shall:

17 (1) prepare an appraisal review board survey form that
18 allows an individual described by Subsection (b) to submit comments
19 and suggestions to the comptroller regarding an appraisal review
20 board;

21 (2) prepare instructions for completing and
22 submitting the form; and

23 (3) establish and maintain a web page on the
24 comptroller's Internet website that allows an individual described
25 by Subsection (b) to electronically complete and submit the form.

26 (b) The following individuals who attend a hearing in person
27 or by telephone conference call on a motion filed under Section

25.25 to correct the appraisal roll or a protest under Chapter 41
may complete and submit a survey form under this section:

(1) a property owner whose property is the subject of
the motion or protest;

(2) the designated agent of the owner; or

(3) a designated representative of the appraisal
district in which the motion or protest is filed.

(c) The survey form must allow an individual to submit
comments and suggestions regarding:

(1) the matters listed in Section 5.103(b); and

(2) any other matter related to the fairness and
efficiency of the appraisal review board.

(d) An appraisal district must provide to each property
owner or designated agent of the owner who is authorized to submit a
survey form under this section a document that states that the owner
or agent:

(1) is entitled to complete and submit the survey
form;

(2) may submit the form to the comptroller:

(A) in person;

(B) by mail;

(C) by electronic mail; or

(D) through the web page required to be
established by the comptroller under Subsection (a)(3); and

(3) may obtain a paper copy of the form and
instructions for completing the form at the appraisal office.

(e) The document described by Subsection (d) must include

1 the uniform resource locator (URL) address of the web page required
2 to be established by the comptroller under Subsection (a)(3).

3 (f) An appraisal district must provide the document
4 described by Subsection (d) to a property owner or the designated
5 agent of the owner:

6 (1) at or before the first hearing on the motion or
7 protest described by Subsection (b) by the appraisal review board
8 established for the appraisal district or by a panel of the board;
9 and

10 (2) with each order under Section 25.25 or 41.47
11 determining a motion or protest, as applicable, delivered by the
12 board or a panel of the board.

13 (g) Notwithstanding Subsections (d) and (f), if an
14 appraisal district provides the document described by Subsection
15 (d) to a property owner or the designated agent of the owner at or
16 before a hearing on a motion or protest described by Subsection (b),
17 the appraisal district is not required to provide another copy of
18 the document to the owner or agent at or before another hearing on a
19 motion or protest held on the same day.

20 (h) An individual who elects to submit the survey form must
21 submit the form to the comptroller as provided by this section. An
22 individual may submit only one survey form for each motion or
23 protest.

24 (i) The comptroller shall allow an individual to submit a
25 survey form to the comptroller in the following manner:

26 (1) in person;

27 (2) by mail;

1 (3) by electronic mail; or

2 (4) through the web page required to be established by
3 the comptroller under Subsection (a)(3).

4 (j) An appraisal district may not require a property owner
5 or the designated agent of the owner to complete a survey form at
6 the appraisal office.

7 (k) The comptroller shall issue an annual report that
8 summarizes the information included in the survey forms submitted
9 during the preceding tax year. The report may not disclose the
10 identity of an individual who submitted a survey form.

11 (l) The comptroller may adopt rules necessary to implement
12 this section.

13 SECTION 12. Section 5.13(d), Tax Code, is amended to read as
14 follows:

15 (d) In conducting a general audit, the comptroller shall
16 consider and report on:

17 (1) the extent to which the district complies with
18 applicable law or generally accepted standards of appraisal or
19 other relevant practice, including appraisal standards and
20 practices prescribed by any appraisal manuals required by law to be
21 prepared and issued by the comptroller;

22 (2) the uniformity and level of appraisal of major
23 kinds of property and the cause of any significant deviations from
24 ideal uniformity and equality of appraisal of major kinds of
25 property;

26 (3) duplication of effort and efficiency of operation;

27 (4) the general efficiency, quality of service, and

1 qualification of appraisal district personnel; and

2 (5) except as otherwise provided by Subsection (b) [~~of~~
3 ~~this section~~], any other matter included in the request for the
4 audit.

5 SECTION 13. Section 6.035(a-1), Tax Code, is amended to
6 read as follows:

7 (a-1) An individual is ineligible to serve on an appraisal
8 district board of directors if the individual has engaged in the
9 business of appraising property for compensation for use in
10 proceedings under this title or of representing property owners for
11 compensation in proceedings under this title in the appraisal
12 district at any time during the preceding three [~~five~~] years.

13 SECTION 14. Section 6.15, Tax Code, is amended by adding
14 Subsection (c-1) to read as follows:

15 (c-1) Subsections (a) and (b) do not prohibit a member of
16 the board of directors of an appraisal district from transmitting
17 to the chief appraiser without comment a complaint by a property
18 owner or taxing unit about the appraisal of a specific property,
19 provided that the transmission is in writing.

20 SECTION 15. Section 6.41, Tax Code, is amended by amending
21 Subsections (b) and (d-9) and adding Subsections (b-1), (b-2), and
22 (d-10) to read as follows:

23 (b) Except as provided by Subsection (b-1) or (b-2), an
24 appraisal review [~~The~~] board consists of three members.

25 (b-1) An appraisal [~~However, the~~] district board of
26 directors by resolution of a majority of the board's [~~its~~] members
27 may increase the size of the district's appraisal review board to

1 the number of members the board of directors considers appropriate.

2 (b-2) An appraisal district board of directors for a
3 district established in a county with a population of one million or
4 more by resolution of a majority of the board's members shall
5 increase the size of the district's appraisal review board to the
6 number of members the board of directors considers appropriate to
7 manage the duties of the appraisal review board, including the
8 duties of each special panel established under Section 6.425.

9 (d-9) In selecting individuals who are to serve as members
10 of the appraisal review board for an appraisal district described
11 by Subsection (b-2), the local administrative district judge shall
12 select an adequate number of qualified individuals to permit the
13 chairman of the appraisal review board to fill the positions on each
14 special panel established under Section 6.425.

15 (d-10) Upon selection of the individuals who are to serve as
16 members of the appraisal review board, the local administrative
17 district judge shall enter an appropriate order designating such
18 members and setting each member's respective term of office, as
19 provided elsewhere in this section.

20 SECTION 16. Sections 6.412(a) and (d), Tax Code, are
21 amended to read as follows:

22 (a) An individual is ineligible to serve on an appraisal
23 review board if the individual:

24 (1) is related within the second degree by
25 consanguinity or affinity, as determined under Chapter 573,
26 Government Code, to an individual who is engaged in the business of
27 appraising property for compensation for use in proceedings under

1 this title or of representing property owners for compensation in
2 proceedings under this title in the appraisal district for which
3 the appraisal review board is established;

4 (2) owns property on which delinquent taxes have been
5 owed to a taxing unit for more than 60 days after the date the
6 individual knew or should have known of the delinquency unless:

7 (A) the delinquent taxes and any penalties and
8 interest are being paid under an installment payment agreement
9 under Section 33.02; or

10 (B) a suit to collect the delinquent taxes is
11 deferred or abated under Section 33.06 or 33.065; or

12 (3) is related within the third degree by
13 consanguinity or within the second degree by affinity, as
14 determined under Chapter 573, Government Code, to a member of:

15 (A) the appraisal district's board of directors;
16 or

17 (B) the appraisal review board.

18 (d) A person is ineligible to serve on the appraisal review
19 board of an appraisal district established for a county described
20 by Section 6.41(d-1) ~~[having a population of more than 100,000]~~ if
21 the person:

22 (1) is a former member of the board of directors,
23 former officer, or former employee of the appraisal district;

24 (2) served as a member of the governing body or officer
25 of a taxing unit for which the appraisal district appraises
26 property, until the fourth anniversary of the date the person
27 ceased to be a member or officer; ~~[or]~~

1 (3) appeared before the appraisal review board for
2 compensation during the two-year period preceding the date the
3 person is appointed; or

4 (4) served for all or part of three previous terms as a
5 board member or auxiliary board member on the appraisal review
6 board.

7 SECTION 17. Section 6.414(d), Tax Code, is amended to read
8 as follows:

9 (d) An auxiliary board member may hear taxpayer protests
10 before the appraisal review board. An auxiliary board member may
11 not hear taxpayer protests before a special panel established under
12 Section 6.425 unless the member is eligible to be appointed to the
13 special panel. If one or more auxiliary board members sit on a
14 panel established under Section 6.425 or 41.45 to conduct a protest
15 hearing, the number of regular appraisal review board members
16 required by that section to constitute the panel is reduced by the
17 number of auxiliary board members sitting. An auxiliary board
18 member sitting on a panel is considered a regular board member for
19 all purposes related to the conduct of the hearing.

20 SECTION 18. Section 6.42, Tax Code, is amended by amending
21 Subsection (a) and adding Subsection (d) to read as follows:

22 (a) A majority of the appraisal review board constitutes a
23 quorum. The local administrative district judge under Subchapter
24 D, Chapter 74, Government Code, in the county in which ~~[board of~~
25 ~~directors of]~~ the appraisal district is established ~~[by resolution]~~
26 shall select a chairman and a secretary from among the members of
27 the appraisal review board. The judge ~~[board of directors of the~~

~~appraisal district]~~ is encouraged to select as chairman ~~[of the appraisal review board]~~ a member of the appraisal review board, if any, who has a background in law and property appraisal.

(d) The concurrence of a majority of the members of the appraisal review board present at a meeting of the board is sufficient for a recommendation, determination, decision, or other action by the board. The concurrence of a majority of the members of a panel of the board present at a meeting of the panel is sufficient for a recommendation by the panel. The concurrence of more than a majority of the members of the board or panel may not be required.

SECTION 19. Subchapter C, Chapter 6, Tax Code, is amended by adding Section 6.425 to read as follows:

Sec. 6.425. SPECIAL APPRAISAL REVIEW BOARD PANELS IN CERTAIN DISTRICTS. (a) This section applies only to the appraisal review board for an appraisal district described by Section 6.41(b-2).

(b) The appraisal review board shall establish special panels to conduct protest hearings under Chapter 41 relating to property that:

(1) has an appraised value of \$50 million or more as determined by the appraisal district; and

(2) is included in one of the following classifications:

(A) commercial real and personal property;

(B) real and personal property of utilities;

(C) industrial and manufacturing real and

1 personal property; and

2 (D) multifamily residential real property.

3 (c) Each special panel described by this section consists of
4 three members of the appraisal review board appointed by the
5 chairman of the board.

6 (d) To be eligible to be appointed to a special panel
7 described by this section, a member of the appraisal review board
8 must:

9 (1) hold a juris doctor or equivalent degree;

10 (2) hold a master of business administration degree;

11 (3) be licensed as a certified public accountant under
12 Chapter 901, Occupations Code;

13 (4) be accredited by the American Society of
14 Appraisers as an accredited senior appraiser;

15 (5) possess an MAI professional designation from the
16 Appraisal Institute;

17 (6) possess a Certified Assessment Evaluator (CAE)
18 professional designation from the International Association of
19 Assessing Officers;

20 (7) have at least 10 years of experience in property
21 tax appraisal or consulting; or

22 (8) be licensed as a real estate broker or sales agent
23 under Chapter 1101, Occupations Code.

24 (e) Notwithstanding Subsection (d), the chairman of the
25 appraisal review board may appoint to a special panel described by
26 this section a member of the appraisal review board who does not
27 meet the qualifications prescribed by that subsection if:

1 (1) the number of persons appointed to the board by the
2 local administrative district judge who meet those qualifications
3 is not sufficient to fill the positions on each special panel; and

4 (2) the board member being appointed to the panel
5 holds a bachelor's degree in any field.

6 (f) In addition to conducting protest hearings relating to
7 property described by Subsection (b) of this section, a special
8 panel may conduct protest hearings under Chapter 41 relating to
9 property not described by Subsection (b) of this section as
10 assigned by the chairman of the appraisal review board.

11 SECTION 20. Section 22.23(d), Tax Code, is amended to read
12 as follows:

13 (d) Notwithstanding any other provision of this section,
14 rendition statements and property reports required to be filed by a
15 property owner [~~for property~~] regulated by the Public Utility
16 Commission of Texas, the Railroad Commission of Texas, the federal
17 Surface Transportation Board, or the Federal Energy Regulatory
18 Commission must be delivered to the chief appraiser not later than
19 April 30, except as provided by Section 22.02. The chief appraiser
20 may extend the filing deadline in the manner prescribed by
21 Subsection (b) [~~15 days for good cause shown in writing by the~~
22 ~~property owner~~].

23 SECTION 21. Section 23.01, Tax Code, is amended by amending
24 Subsection (b) and adding Subsection (h) to read as follows:

25 (b) The market value of property shall be determined by the
26 application of generally accepted appraisal methods and
27 techniques, including appraisal methods and techniques prescribed

by any appraisal manuals required by law to be prepared and issued by the comptroller. If the appraisal district determines the appraised value of a property using mass appraisal standards, the mass appraisal standards must comply with the Uniform Standards of Professional Appraisal Practice. The same or similar appraisal methods and techniques shall be used in appraising the same or similar kinds of property. However, each property shall be appraised based upon the individual characteristics that affect the property's market value, and all available evidence that is specific to the value of the property shall be taken into account in determining the property's market value.

(h) Appraisal methods and techniques included in the most recent versions of the following are considered generally accepted appraisal methods and techniques for the purposes of this title:

(1) the Appraisal of Real Estate published by the Appraisal Institute;

(2) the Dictionary of Real Estate Appraisal published by the Appraisal Institute;

(3) the Uniform Standards of Professional Appraisal Practice published by The Appraisal Foundation;

(4) a publication of the International Association of Assessing Officers that includes information related to mass appraisal; and

(5) any other verifiable authority if none of the publications described by Subdivisions (1)-(4) includes a generally accepted appraisal methodology or technique applicable to the appraisal of one or more classes of property.

SECTION 22. Section 25.19, Tax Code, is amended by amending Subsections (b) and (i) and adding Subsections (b-3) and (b-4) to read as follows:

(b) The chief appraiser shall separate real from personal property and include in the notice for each:

(1) a list of the taxing units in which the property is taxable;

(2) the appraised value of the property in the preceding year;

(3) the taxable value of the property in the preceding year for each taxing unit taxing the property;

(4) the appraised value of the property for the current year, the kind and amount of each exemption and partial exemption, if any, approved for the property for the current year and for the preceding year, and, if an exemption or partial exemption that was approved for the preceding year was canceled or reduced for the current year, the amount of the exemption or partial exemption canceled or reduced;

~~(5) [if the appraised value is greater than it was in the preceding year, the amount of tax that would be imposed on the property on the basis of the tax rate for the preceding year,~~

~~[(6)]~~ in italic typeface, the following statement: "The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials";

(6) ~~[(7)]~~ a detailed explanation of the time and

1 procedure for protesting the value;

2 (7) [~~(8)~~] the date and place the appraisal review
3 board will begin hearing protests; and

4 (8) [~~(9)~~] a brief explanation that the governing body
5 of each taxing unit decides whether or not taxes on the property
6 will increase and the appraisal district only determines the value
7 of the property.

8 (b-3) This subsection applies only to an appraisal district
9 described by Section 6.41(b-2). In addition to the information
10 required by Subsection (b), the chief appraiser shall state in a
11 notice of appraised value of property described by Section 6.425(b)
12 that the property owner has the right to have a protest relating to
13 the property heard by a special panel of the appraisal review board.

14 (b-4) Subsection (b)(5) applies only to a notice of
15 appraised value required to be delivered by the chief appraiser of
16 an appraisal district established in a county with a population of
17 less than 120,000. This subsection expires January 1, 2022.

18 (i) Delivery with a notice required by Subsection (a) or (g)
19 of a copy of the pamphlet published by the comptroller under Section
20 5.06 or a copy of the notice published by the chief appraiser under
21 Section 41.70 is sufficient to comply with the requirement that the
22 notice include the information specified by Subsection (b)(6)
23 [~~(b)(7)~~] or (g)(3), as applicable.

24 SECTION 23. Section 26.01, Tax Code, is amended by adding
25 Subsection (a-1) to read as follows:

26 (a-1) If by July 20 the appraisal review board for an
27 appraisal district has not approved the appraisal records for the

1 district as required under Section 41.12, the chief appraiser shall
2 not later than July 25 prepare and certify to the assessor for each
3 taxing unit participating in the district an estimate of the
4 taxable value of property in that taxing unit.

5 SECTION 24. Section 26.012, Tax Code, is amended by
6 amending Subdivisions (7) and (10) and adding Subdivisions (10-a),
7 (19), (20), (21), and (22) to read as follows:

8 (7) "Debt" means a bond, warrant, certificate of
9 obligation, or other evidence of indebtedness owed by a taxing unit
10 that has been approved at an election and is payable solely from
11 property taxes in installments over a period of more than one year,
12 not budgeted for payment from maintenance and operations funds, and
13 secured by a pledge of property taxes, or a payment made under
14 contract to secure indebtedness of a similar nature issued by
15 another political subdivision on behalf of the taxing unit.

16 (10) "Excess collections" means the amount, if any, by
17 which debt taxes collected in the preceding year exceeded the
18 amount anticipated in the preceding year's calculation of the
19 rollback tax rate, as certified by the collector under Section
20 26.04(b) [~~of this code~~].

21 (10-a) "Inflation rate" means the amount, expressed in
22 decimal form rounded to the nearest thousandth, computed by
23 determining the percentage change in the consumer price index for
24 the preceding calendar year as compared to the consumer price index
25 for the calendar year preceding that calendar year.

26 (19) "Revenue enrichment amount" means the amount for
27 the current tax year published by the comptroller under Section

26.04(b-1).

(20) "Revenue enrichment rate" means the rate that, when applied to a taxing unit's current total value, will impose an amount of taxes equal to the revenue enrichment amount.

(21) "Special taxing unit" means:

(A) a taxing unit, other than a school district, for which the maintenance and operations tax rate proposed for the current tax year is 2.5 cents or less per \$100 of taxable value;

(B) a junior college district;

(C) a hospital district; or

(D) an emergency services district created under Chapter 775, Health and Safety Code.

(22) "Unused increment rate" means the rate equal to the positive difference between:

(A) the aggregate rate by which a taxing unit's rollback tax rate, calculated without regard to this subdivision, exceeded the taxing unit's adopted tax rate in the preceding five tax years; and

(B) the aggregate rate by which a taxing unit's adopted tax rate exceeded the taxing unit's rollback tax rate, calculated without regard to this subdivision, in the preceding five tax years.

SECTION 25. Section 26.012(9), Tax Code, is redesignated as Section 26.012(18), Tax Code, and amended to read as follows:

(18) "No-new-revenue [(9) — "Effective] maintenance and operations rate" means a rate expressed in dollars per \$100 of taxable value and calculated according to the following formula:

1 NO-NEW-REVENUE [~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS

2 RATE = (LAST YEAR'S LEVY - LAST YEAR'S DEBT LEVY - LAST
3 YEAR'S JUNIOR COLLEGE LEVY) / (CURRENT TOTAL VALUE -
4 NEW PROPERTY VALUE)

5 SECTION 26. Chapter 26, Tax Code, is amended by adding
6 Section 26.013 to read as follows:

7 Sec. 26.013. CALCULATION OF UNUSED INCREMENT RATE IN
8 CERTAIN TAX YEARS. (a) Notwithstanding Section 26.012(22), until
9 December 31, 2024, for purposes of calculating the unused increment
10 rate:

11 (1) the aggregate rate by which a taxing unit's
12 rollback tax rate, calculated without regard to Section 26.012(22),
13 exceeded the taxing unit's adopted tax rate in preceding tax years
14 may include only the adopted tax rates for tax years that begin on
15 or after January 1, 2020; and

16 (2) the aggregate rate by which a taxing unit's adopted
17 tax rate exceeded the taxing unit's rollback tax rate, calculated
18 without regard to Section 26.012(22), in preceding tax years may
19 include only the adopted tax rates for tax years that begin on or
20 after January 1, 2020.

21 (b) This section expires December 31, 2024.

22 SECTION 27. The heading to Section 26.04, Tax Code, is
23 amended to read as follows:

24 Sec. 26.04. SUBMISSION OF ROLL TO GOVERNING BODY;
25 NO-NEW-REVENUE [~~EFFECTIVE~~] AND ROLLBACK TAX RATES.

26 SECTION 28. Section 26.04, Tax Code, is amended by amending
27 Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and (j) and

adding Subsections (b-1), (c-1), (c-2), (d-1), (d-2), (d-3), (e-2), (e-3), (e-4), (e-5), (h-1), and (h-2) to read as follows:

(b) The assessor shall submit the appraisal roll for the taxing unit showing the total appraised, assessed, and taxable values of all property and the total taxable value of new property to the governing body of the taxing unit by August 1 or as soon thereafter as practicable. By August 1 or as soon thereafter as practicable, the taxing unit's collector shall certify ~~[an estimate of]~~ the anticipated collection rate as calculated under Subsections (h), (h-1), and (h-2) for the current year to the governing body. If the collector certified an anticipated collection rate in the preceding year and the actual collection rate in that year exceeded the anticipated rate, the collector shall also certify the amount of debt taxes collected in excess of the anticipated amount in the preceding year.

(b-1) By August 1 or as soon thereafter as practicable, the comptroller shall determine the revenue enrichment amount for the current tax year and publish that amount in the Texas Register. The revenue enrichment amount for the 2020 tax year is \$250,000. For each succeeding tax year, the revenue enrichment amount is equal to the revenue enrichment amount for the preceding tax year as adjusted by the comptroller to reflect the inflation rate.

(c) After the assessor for the taxing unit submits the appraisal roll for the taxing unit to the governing body of the taxing unit as required by Subsection (b) and the comptroller publishes the revenue enrichment amount for the current tax year as required by Subsection (b-1), an ~~[An]~~ officer or employee

designated by the governing body shall calculate the no-new-revenue ~~[effective]~~ tax rate and the rollback tax rate for the taxing unit, where:

(1) "No-new-revenue ~~[Effective]~~ tax rate" means a rate expressed in dollars per \$100 of taxable value calculated according to the following formula:

$$\text{NO-NEW-REVENUE } [\text{EFFECTIVE}] \text{ TAX RATE} = (\text{LAST YEAR'S LEVY} - \text{LOST PROPERTY LEVY}) / (\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})$$

; and

(2) "Rollback tax rate" means a rate expressed in dollars per \$100 of taxable value calculated according to the following applicable formula:

(A) for a special taxing unit:

$$\text{ROLLBACK TAX RATE} = (\text{NO-NEW-REVENUE } [\text{EFFECTIVE}] \text{ MAINTENANCE AND OPERATIONS RATE} \times 1.08) + \text{CURRENT DEBT RATE}$$

; or

(B) for a taxing unit other than a special taxing unit:

$$\text{ROLLBACK TAX RATE} = (\text{NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE} \times 1.025) + (\text{CURRENT DEBT RATE} + \text{REVENUE ENRICHMENT RATE} + \text{UNUSED INCREMENT RATE})$$

(c-1) Notwithstanding any other provision of this section, the governing body of a taxing unit other than a special taxing unit may direct the designated officer or employee to calculate the rollback tax rate of the taxing unit in the manner provided for a

special taxing unit if any part of the taxing unit 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 designated officer or employee shall continue calculating the rollback tax rate in the manner provided by this subsection until the earlier of:

(1) the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred; or

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

(c-2) Notwithstanding any other provision of this section, if the assessor for a taxing unit receives a certified estimate of the taxable value of property in the taxing unit under Section 26.01(a-1), the officer or employee designated by the governing body of the taxing unit shall calculate the no-new-revenue tax rate and rollback tax rate using the certified estimate of taxable value.

(d) The no-new-revenue ~~effective~~ tax rate for a county is the sum of the no-new-revenue ~~effective~~ tax rates calculated for each type of tax the county levies and the rollback tax rate for a county is the sum of the rollback tax rates calculated for each type of tax the county levies.

(d-1) The designated officer or employee shall use the tax rate calculation forms prescribed by the comptroller under Section

1 5.07 in calculating the no-new-revenue tax rate and the rollback
2 tax rate.

3 (d-2) The designated officer or employee may not submit the
4 no-new-revenue tax rate and the rollback tax rate to the governing
5 body of the taxing unit and the taxing unit may not adopt a tax rate
6 until the designated officer or employee certifies on the tax rate
7 calculation forms that the designated officer or employee has
8 accurately calculated the tax rates and has used values that are the
9 same as the values shown in the taxing unit's certified appraisal
10 roll in performing the calculations.

11 (d-3) As soon as practicable after the designated officer or
12 employee calculates the no-new-revenue tax rate and the rollback
13 tax rate of the taxing unit, the designated officer or employee
14 shall submit the tax rate calculation forms used in calculating the
15 rates to the county assessor-collector for each county in which all
16 or part of the territory of the taxing unit is located.

17 (e) By August 7 or as soon thereafter as practicable, the
18 designated officer or employee shall:

19 (1) submit the rates to the governing body;

20 (2) [~~He shall deliver by mail to each property owner~~
21 ~~in the unit or~~] publish the rates in a newspaper having general
22 circulation in the county in which the taxing unit is located or
23 primarily located;

24 (3) post the rates in a prominent location on the
25 taxing unit's Internet website; and

26 (4) prepare and submit to the governing body [~~in the~~
27 ~~form prescribed by the comptroller.~~

1 ~~[(1) the effective tax rate, the rollback tax rate,~~
2 ~~and an explanation of how they were calculated,~~

3 ~~[(2) the estimated amount of interest and sinking fund~~
4 ~~balances and the estimated amount of maintenance and operation or~~
5 ~~general fund balances remaining at the end of the current fiscal~~
6 ~~year that are not encumbered with or by corresponding existing debt~~
7 ~~obligation,~~

8 ~~[(3)]~~ a schedule of the taxing unit's debt obligations
9 showing:

10 (A) the amount of principal and interest that
11 will be paid to service the taxing unit's debts in the next year
12 from property tax revenue, including payments of lawfully incurred
13 contractual obligations providing security for the payment of the
14 principal of and interest on bonds and other evidences of
15 indebtedness issued on behalf of the taxing unit by another
16 political subdivision and, if the taxing unit is created under
17 Section 52, Article III, or Section 59, Article XVI, Texas
18 Constitution, payments on debts that the taxing unit anticipates to
19 incur in the next calendar year;

20 (B) the amount by which taxes imposed for debt
21 are to be increased because of the taxing unit's anticipated
22 collection rate; and

23 (C) the total of the amounts listed in Paragraphs
24 (A)-(B), less any amount collected in excess of the previous year's
25 anticipated collections certified as provided in Subsection (b) ~~[,~~

26 ~~[(4) the amount of additional sales and use tax~~
27 ~~revenue anticipated in calculations under Section 26.041,~~

1 ~~[(5) a statement that the adoption of a tax rate equal~~
2 ~~to the effective tax rate would result in an increase or decrease,~~
3 ~~as applicable, in the amount of taxes imposed by the unit as~~
4 ~~compared to last year's levy, and the amount of the increase or~~
5 ~~decrease;~~

6 ~~[(6) in the year that a taxing unit calculates an~~
7 ~~adjustment under Subsection (i) or (j), a schedule that includes~~
8 ~~the following elements:~~

9 ~~[(A) the name of the unit discontinuing the~~
10 ~~department, function, or activity;~~

11 ~~[(B) the amount of property tax revenue spent by~~
12 ~~the unit listed under Paragraph (A) to operate the discontinued~~
13 ~~department, function, or activity in the 12 months preceding the~~
14 ~~month in which the calculations required by this chapter are made;~~
15 ~~and~~

16 ~~[(C) the name of the unit that operates a~~
17 ~~distinct department, function, or activity in all or a majority of~~
18 ~~the territory of a taxing unit that has discontinued operating the~~
19 ~~distinct department, function, or activity; and~~

20 ~~[(7) in the year following the year in which a taxing~~
21 ~~unit raised its rollback rate as required by Subsection (j), a~~
22 ~~schedule that includes the following elements:~~

23 ~~[(A) the amount of property tax revenue spent by~~
24 ~~the unit to operate the department, function, or activity for which~~
25 ~~the taxing unit raised the rollback rate as required by Subsection~~
26 ~~(j) for the 12 months preceding the month in which the calculations~~
27 ~~required by this chapter are made; and~~

1 ~~[(B) the amount published by the unit in the~~
2 ~~preceding tax year under Subdivision (6)(B)]~~.

3 (e-1) The tax rate certification requirements imposed by
4 Subsection (d-2) and the notice requirements imposed by Subsections
5 (e)(2)-(4) [~~(e)(1)-(6)~~] do not apply to a school district.

6 (e-2) By August 7 or as soon thereafter as practicable, the
7 chief appraiser of each appraisal district shall deliver by regular
8 mail or e-mail to each owner of property located in the appraisal
9 district a notice that the estimated amount of taxes to be imposed
10 on the owner's property by each taxing unit in which the property is
11 located may be found in the property tax database maintained by the
12 appraisal district under Section 26.17. The notice must include:

13 (1) a statement directing the property owner to an
14 Internet website from which the owner may access information
15 related to the actions taken or proposed to be taken by each taxing
16 unit in which the property is located that may affect the taxes
17 imposed on the owner's property;

18 (2) a statement that the property owner may request
19 from the county assessor-collector for the county in which the
20 property is located or, if the county assessor-collector does not
21 assess taxes for the county, the person who assesses taxes for the
22 county under Section 6.24(b), contact information for the assessor
23 for each taxing unit in which the property is located, who must
24 provide the information described by this subsection to the owner
25 on request; and

26 (3) the name, address, and telephone number of the
27 county assessor-collector for the county in which the property is

1 located or, if the county assessor-collector does not assess taxes
2 for the county, the person who assesses taxes for the county under
3 Section 6.24(b).

4 (e-3) The statement described by Subsection (e-2)(1) must
5 include a heading that is in bold, capital letters in type larger
6 than that used in the other provisions of the notice.

7 (e-4) The comptroller:

8 (1) with the advice of the property tax administration
9 advisory board, shall adopt rules prescribing the form of the
10 notice required by Subsection (e-2); and

11 (2) may adopt rules regarding the format and delivery
12 of the notice.

13 (e-5) The governing body of a taxing unit shall include as
14 an appendix to the taxing unit's budget for a fiscal year the tax
15 rate calculation forms used by the designated officer or employee
16 of the taxing unit to calculate the no-new-revenue tax rate and the
17 rollback tax rate of the taxing unit for the tax year in which the
18 fiscal year begins.

19 (f) If as a result of consolidation of taxing units a taxing
20 unit includes territory that was in two or more taxing units in the
21 preceding year, the amount of taxes imposed in each in the preceding
22 year is combined for purposes of calculating the no-new-revenue
23 ~~[effective]~~ and rollback tax rates under this section.

24 (g) A person who owns taxable property is entitled to an
25 injunction prohibiting the taxing unit in which the property is
26 taxable from adopting a tax rate if the assessor or designated
27 officer or employee of the taxing unit, the chief appraiser of the

1 applicable appraisal district, or the taxing unit, as applicable,
2 has not complied with the computation, ~~or~~ publication, or posting
3 requirements of this section or Section 26.16, 26.17, or 26.18 ~~[and~~
4 ~~the failure to comply was not in good faith]~~. It is a defense in an
5 action for an injunction under this subsection that the failure to
6 comply was in good faith.

7 (h-1) Notwithstanding Subsection (h), if the anticipated
8 collection rate of a taxing unit as calculated under that
9 subsection is lower than the lowest actual collection rate of the
10 taxing unit for any of the preceding three years, the anticipated
11 collection rate of the taxing unit for purposes of this section is
12 equal to the lowest actual collection rate of the taxing unit for
13 any of the preceding three years.

14 (h-2) The anticipated collection rate of a taxing unit for
15 purposes of this section is the rate calculated under Subsection
16 (h) as modified by Subsection (h-1), if applicable, regardless of
17 whether that rate exceeds 100 percent.

18 (i) This subsection applies to a taxing unit that has agreed
19 by written contract to transfer a distinct department, function, or
20 activity to another taxing unit and discontinues operating that
21 distinct department, function, or activity if the operation of that
22 department, function, or activity in all or a majority of the
23 territory of the taxing unit is continued by another existing
24 taxing unit or by a new taxing unit. The rollback tax rate of a
25 taxing unit to which this subsection applies in the first tax year
26 in which a budget is adopted that does not allocate revenue to the
27 discontinued department, function, or activity is calculated as

otherwise provided by this section, except that last year's levy used to calculate the no-new-revenue [~~effective~~] maintenance and operations rate of the taxing unit is reduced by the amount of maintenance and operations tax revenue spent by the taxing unit to operate the department, function, or activity for the 12 months preceding the month in which the calculations required by this chapter are made and in which the taxing unit operated the discontinued department, function, or activity. If the taxing unit did not operate that department, function, or activity for the full 12 months preceding the month in which the calculations required by this chapter are made, the taxing unit shall reduce last year's levy used for calculating the no-new-revenue [~~effective~~] maintenance and operations rate of the taxing unit by the amount of the revenue spent in the last full fiscal year in which the taxing unit operated the discontinued department, function, or activity.

(j) This subsection applies to a taxing unit that had agreed by written contract to accept the transfer of a distinct department, function, or activity from another taxing unit and operates a distinct department, function, or activity if the operation of a substantially similar department, function, or activity in all or a majority of the territory of the taxing unit has been discontinued by another taxing unit, including a dissolved taxing unit. The rollback tax rate of a taxing unit to which this subsection applies in the first tax year after the other taxing unit discontinued the substantially similar department, function, or activity in which a budget is adopted that allocates revenue to the department, function, or activity is calculated as otherwise

1 provided by this section, except that last year's levy used to
 2 calculate the no-new-revenue [~~effective~~] maintenance and
 3 operations rate of the taxing unit is increased by the amount of
 4 maintenance and operations tax revenue spent by the taxing unit
 5 that discontinued operating the substantially similar department,
 6 function, or activity to operate that department, function, or
 7 activity for the 12 months preceding the month in which the
 8 calculations required by this chapter are made and in which the
 9 taxing unit operated the discontinued department, function, or
 10 activity. If the taxing unit did not operate the discontinued
 11 department, function, or activity for the full 12 months preceding
 12 the month in which the calculations required by this chapter are
 13 made, the taxing unit may increase last year's levy used to
 14 calculate the no-new-revenue [~~effective~~] maintenance and
 15 operations rate by an amount not to exceed the amount of property
 16 tax revenue spent by the discontinuing taxing unit to operate the
 17 discontinued department, function, or activity in the last full
 18 fiscal year in which the discontinuing taxing unit operated the
 19 department, function, or activity.

20 SECTION 29. Section 26.041, Tax Code, is amended by
 21 amending Subsections (a), (b), (c), (e), (g), and (h) and adding
 22 Subsection (c-1) to read as follows:

23 (a) In the first year in which an additional sales and use
 24 tax is required to be collected, the no-new-revenue [~~effective~~] tax
 25 rate and rollback tax rate for the taxing unit are calculated
 26 according to the following formulas:

27 NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE = [(LAST YEAR'S

LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW
PROPERTY VALUE)] - SALES TAX GAIN RATE

and

ROLLBACK TAX RATE FOR SPECIAL TAXING UNIT =
(NO-NEW-REVENUE [~~EFFECTIVE~~] MAINTENANCE AND
OPERATIONS RATE x 1.08) + (CURRENT DEBT RATE - SALES
TAX GAIN RATE)

or

ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SPECIAL
TAXING UNIT = (NO-NEW-REVENUE MAINTENANCE AND
OPERATIONS RATE x 1.025) + (CURRENT DEBT RATE + REVENUE
ENRICHMENT RATE + UNUSED INCREMENT RATE - SALES TAX
GAIN RATE)

where "sales tax gain rate" means a number expressed in dollars per
\$100 of taxable value, calculated by dividing the revenue that will
be generated by the additional sales and use tax in the following
year as calculated under Subsection (d) [~~of this section~~] by the
current total value.

(b) Except as provided by Subsections (a) and (c) [~~of this~~
~~section~~], in a year in which a taxing unit imposes an additional
sales and use tax, the rollback tax rate for the taxing unit is
calculated according to the following formula, regardless of
whether the taxing unit levied a property tax in the preceding year:

ROLLBACK TAX RATE FOR SPECIAL TAXING UNIT = [(LAST
YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.08) /
(~~[TOTAL]~~ CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] +
(CURRENT DEBT RATE - SALES TAX REVENUE RATE)

1 or

2 ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SPECIAL
 3 TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS
 4 EXPENSE x 1.025) / (CURRENT TOTAL VALUE - NEW PROPERTY
 5 VALUE)] + (CURRENT DEBT RATE + REVENUE ENRICHMENT RATE
 6 + UNUSED INCREMENT RATE - SALES TAX REVENUE RATE)

7 where "last year's maintenance and operations expense" means the
 8 amount spent for maintenance and operations from property tax and
 9 additional sales and use tax revenues in the preceding year, and
 10 "sales tax revenue rate" means a number expressed in dollars per
 11 \$100 of taxable value, calculated by dividing the revenue that will
 12 be generated by the additional sales and use tax in the current year
 13 as calculated under Subsection (d) [~~of this section~~] by the current
 14 total value.

15 (c) In a year in which a taxing unit that has been imposing
 16 an additional sales and use tax ceases to impose an additional sales
 17 and use tax, the no-new-revenue [~~effective~~] tax rate and rollback
 18 tax rate for the taxing unit are calculated according to the
 19 following formulas:

20 NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE = [(LAST YEAR'S
 21 LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW
 22 PROPERTY VALUE)] + SALES TAX LOSS RATE

23 and

24 ROLLBACK TAX RATE FOR SPECIAL TAXING UNIT = [(LAST
 25 YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.08) /
 26 ([~~TOTAL~~] CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] +
 27 CURRENT DEBT RATE

1 or

2 ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SPECIAL
 3 TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS
 4 EXPENSE x 1.025) / (CURRENT TOTAL VALUE - NEW PROPERTY
 5 VALUE)] + (CURRENT DEBT RATE + REVENUE ENRICHMENT RATE
 6 + UNUSED INCREMENT RATE)

7 where "sales tax loss rate" means a number expressed in dollars per
 8 \$100 of taxable value, calculated by dividing the amount of sales
 9 and use tax revenue generated in the last four quarters for which
 10 the information is available by the current total value and "last
 11 year's maintenance and operations expense" means the amount spent
 12 for maintenance and operations from property tax and additional
 13 sales and use tax revenues in the preceding year.

14 (c-1) Notwithstanding any other provision of this section,
 15 the governing body of a taxing unit other than a special taxing unit
 16 may direct the designated officer or employee to calculate the
 17 rollback tax rate of the taxing unit in the manner provided for a
 18 special taxing unit if any part of the taxing unit is located in an
 19 area declared a disaster area during the current tax year by the
 20 governor or by the president of the United States. The designated
 21 officer or employee shall continue calculating the rollback tax
 22 rate in the manner provided by this subsection until the earlier of:

23 (1) the first tax year in which the total taxable value
 24 of property taxable by the taxing unit as shown on the appraisal
 25 roll for the taxing unit submitted by the assessor for the taxing
 26 unit to the governing body exceeds the total taxable value of
 27 property taxable by the taxing unit on January 1 of the tax year in

1 which the disaster occurred; or

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

4 (e) If a city that imposes an additional sales and use tax
5 receives payments under the terms of a contract executed before
6 January 1, 1986, in which the city agrees not to annex certain
7 property or a certain area and the owners or lessees of the property
8 or of property in the area agree to pay at least annually to the city
9 an amount determined by reference to all or a percentage of the
10 property tax rate of the city and all or a part of the value of the
11 property subject to the agreement or included in the area subject to
12 the agreement, the governing body, by order adopted by a majority
13 vote of the governing body, may direct the designated officer or
14 employee to add to the no-new-revenue ~~[effective]~~ and rollback tax
15 rates the amount that, when applied to the total taxable value
16 submitted to the governing body, would produce an amount of taxes
17 equal to the difference between the total amount of payments for the
18 tax year under contracts described by this subsection under the
19 rollback tax rate calculated under this section and the total
20 amount of payments for the tax year that would have been obligated
21 to the city if the city had not adopted an additional sales and use
22 tax.

23 (g) If the rate of the additional sales and use tax is
24 increased, the designated officer or employee shall make two
25 projections, in the manner provided by Subsection (d) ~~[of this~~
26 ~~section]~~, of the revenue generated by the additional sales and use
27 tax in the following year. The first projection must take into

1 account the increase and the second projection must not take into
2 account the increase. The designated officer or employee shall
3 then subtract the amount of the result of the second projection from
4 the amount of the result of the first projection to determine the
5 revenue generated as a result of the increase in the additional
6 sales and use tax. In the first year in which an additional sales
7 and use tax is increased, the no-new-revenue ~~[effective]~~ tax rate
8 for the taxing unit is the no-new-revenue ~~[effective]~~ tax rate
9 before the increase minus a number the numerator of which is the
10 revenue generated as a result of the increase in the additional
11 sales and use tax, as determined under this subsection, and the
12 denominator of which is the current total value minus the new
13 property value.

14 (h) If the rate of the additional sales and use tax is
15 decreased, the designated officer or employee shall make two
16 projections, in the manner provided by Subsection (d) ~~[of this~~
17 ~~section]~~, of the revenue generated by the additional sales and use
18 tax in the following year. The first projection must take into
19 account the decrease and the second projection must not take into
20 account the decrease. The designated officer or employee shall
21 then subtract the amount of the result of the first projection from
22 the amount of the result of the second projection to determine the
23 revenue lost as a result of the decrease in the additional sales and
24 use tax. In the first year in which an additional sales and use tax
25 is decreased, the no-new-revenue ~~[effective]~~ tax rate for the
26 taxing unit is the no-new-revenue ~~[effective]~~ tax rate before the
27 decrease plus a number the numerator of which is the revenue lost as

1 a result of the decrease in the additional sales and use tax, as
2 determined under this subsection, and the denominator of which is
3 the current total value minus the new property value.

4 SECTION 30. The heading to Section 26.043, Tax Code, is
5 amended to read as follows:

6 Sec. 26.043. ROLLBACK AND NO-NEW-REVENUE ~~[EFFECTIVE]~~ TAX
7 RATES ~~[RATE]~~ IN CITY IMPOSING MASS TRANSIT SALES AND USE TAX.

8 SECTION 31. Sections 26.043(a) and (b), Tax Code, are
9 amended to read as follows:

10 (a) In the tax year in which a city has set an election on
11 the question of whether to impose a local sales and use tax under
12 Subchapter H, Chapter 453, Transportation Code, the officer or
13 employee designated to make the calculations provided by Section
14 26.04 may not make those calculations until the outcome of the
15 election is determined. If the election is determined in favor of
16 the imposition of the tax, the designated officer or employee
17 ~~[representative]~~ shall subtract from the city's rollback and
18 no-new-revenue ~~[effective]~~ tax rates the amount that, if applied to
19 the city's current total value, would impose an amount equal to the
20 amount of property taxes budgeted in the current tax year to pay for
21 expenses related to mass transit services.

22 (b) In a tax year to which this section applies, a reference
23 in this chapter to the city's no-new-revenue ~~[effective]~~ or
24 rollback tax rate refers to that rate as adjusted under this
25 section.

26 SECTION 32. The heading to Section 26.044, Tax Code, is
27 amended to read as follows:

1 Sec. 26.044. NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE TO PAY FOR
2 STATE CRIMINAL JUSTICE MANDATE.

3 SECTION 33. Sections 26.044(a), (b), and (c), Tax Code, are
4 amended to read as follows:

5 (a) The first time that a county adopts a tax rate after
6 September 1, 1991, in which the state criminal justice mandate
7 applies to the county, the no-new-revenue [~~effective~~] maintenance
8 and operation rate for the county is increased by the rate
9 calculated according to the following formula:

10 (State Criminal Justice Mandate) / (Current Total
11 Value - New Property Value)

12 (b) In the second and subsequent years that a county adopts
13 a tax rate, if the amount spent by the county for the state criminal
14 justice mandate increased over the previous year, the
15 no-new-revenue [~~effective~~] maintenance and operation rate for the
16 county is increased by the rate calculated according to the
17 following formula:

18 (This Year's State Criminal Justice Mandate - Previous
19 Year's State Criminal Justice Mandate) / (Current
20 Total Value - New Property Value)

21 (c) The county shall include a notice of the increase in the
22 no-new-revenue [~~effective~~] maintenance and operation rate provided
23 by this section, including a description and amount of the state
24 criminal justice mandate, in the information published under
25 Section 26.04(e) and, as applicable, in the notice prescribed by
26 Section 26.06 or 26.061 [~~26.06(b) of this code~~].

27 SECTION 34. Sections 26.0441(a), (b), and (c), Tax Code,

are amended to read as follows:

(a) In the first tax year in which a taxing unit adopts a tax rate after January 1, 2000, and in which the enhanced minimum eligibility standards for indigent health care established under Section 61.006, Health and Safety Code, apply to the taxing unit, the no-new-revenue ~~[effective]~~ maintenance and operations rate for the taxing unit is increased by the rate computed according to the following formula:

$$\text{Amount of Increase} = \frac{\text{Enhanced Indigent Health Care Expenditures}}{(\text{Current Total Value} - \text{New Property Value})}$$

(b) In each subsequent tax year, if the taxing unit's enhanced indigent health care expenses exceed the amount of those expenses for the preceding year, the no-new-revenue ~~[effective]~~ maintenance and operations rate for the taxing unit is increased by the rate computed according to the following formula:

$$\text{Amount of Increase} = \frac{(\text{Current Tax Year's Enhanced Indigent Health Care Expenditures} - \text{Preceding Tax Year's Indigent Health Care Expenditures})}{(\text{Current Total Value} - \text{New Property Value})}$$

(c) The taxing unit shall include a notice of the increase in its no-new-revenue ~~[effective]~~ maintenance and operations rate provided by this section, including a brief description and the amount of the enhanced indigent health care expenditures, in the information published under Section 26.04(e) and, as ~~[if]~~ applicable, in the notice prescribed by Section 26.06 or 26.061 ~~[26.06(b)]~~.

SECTION 35. Section 26.05, Tax Code, is amended by amending Subsections (a), (b), (c), (d), (e), and (g) and adding Subsections (d-1), (d-2), and (e-1) to read as follows:

(a) The governing body of each taxing unit~~[, before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit,~~] shall adopt a tax rate for the current tax year and shall notify the assessor for the taxing unit of the rate adopted. The governing body must adopt a tax rate before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit, except that the governing body must adopt a tax rate that exceeds the rollback tax rate not later than the 71st day before the next uniform election date prescribed by Section 41.001, Election Code, that occurs in November of that year. The tax rate consists of two components, each of which must be approved separately. The components are:

(1) for a taxing unit other than a school district, the rate that, if applied to the total taxable value, will impose the total amount described by ~~[published under]~~ Section 26.04(e)(4)(C) ~~[26.04(e)(3)(C)]~~, less any amount of additional sales and use tax revenue that will be used to pay debt service, or, for a school district, the rate calculated under Section 44.004(c)(5)(A)(ii)(b), Education Code; and

(2) the rate that, if applied to the total taxable value, will impose the amount of taxes needed to fund maintenance and operation expenditures of the taxing unit for the next year.

(b) A taxing unit may not impose property taxes in any year

1 until the governing body has adopted a tax rate for that year, and
2 the annual tax rate must be set by ordinance, resolution, or order,
3 depending on the method prescribed by law for adoption of a law by
4 the governing body. The vote on the ordinance, resolution, or order
5 setting the tax rate must be separate from the vote adopting the
6 budget. For a taxing unit other than a school district, the vote on
7 the ordinance, resolution, or order setting a tax rate that exceeds
8 the no-new-revenue ~~[effective]~~ tax rate must be a record vote, and
9 at least 60 percent of the members of the governing body must vote
10 in favor of the ordinance, resolution, or order. For a school
11 district, the vote on the ordinance, resolution, or order setting a
12 tax rate that exceeds the sum of the no-new-revenue ~~[effective]~~
13 maintenance and operations tax rate of the district as determined
14 under Section 26.08(i) and the district's current debt rate must be
15 a record vote, and at least 60 percent of the members of the
16 governing body must vote in favor of the ordinance, resolution, or
17 order. A motion to adopt an ordinance, resolution, or order setting
18 a tax rate that exceeds the no-new-revenue ~~[effective]~~ tax rate
19 must be made in the following form: "I move that the property tax
20 rate be increased by the adoption of a tax rate of (specify tax
21 rate), which is effectively a (insert percentage by which the
22 proposed tax rate exceeds the no-new-revenue ~~[effective]~~ tax rate)
23 percent increase in the tax rate." If the ordinance, resolution, or
24 order sets a tax rate that, if applied to the total taxable value,
25 will impose an amount of taxes to fund maintenance and operation
26 expenditures of the taxing unit that exceeds the amount of taxes
27 imposed for that purpose in the preceding year, the taxing unit

1 must:

2 (1) include in the ordinance, resolution, or order in
3 type larger than the type used in any other portion of the document:

4 (A) the following statement: "THIS TAX RATE WILL
5 RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S
6 TAX RATE."; and

7 (B) if the tax rate exceeds the no-new-revenue
8 ~~[effective]~~ maintenance and operations rate, the following
9 statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT
10 PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE NO-NEW-REVENUE
11 ~~[EFFECTIVE]~~ MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE
12 TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY
13 APPROXIMATELY \$(Insert amount)."; and

14 (2) include on the home page of the ~~[any]~~ Internet
15 website of [operated by] the taxing unit:

16 (A) the following statement: "(Insert name of
17 taxing unit) ADOPTED A TAX RATE THAT WILL RAISE MORE TAXES FOR
18 MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE"; and

19 (B) if the tax rate exceeds the no-new-revenue
20 ~~[effective]~~ maintenance and operations rate, the following
21 statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT
22 PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE NO-NEW-REVENUE
23 ~~[EFFECTIVE]~~ MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE
24 TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY
25 APPROXIMATELY \$(Insert amount)."

26 (c) If the governing body of a taxing unit does not adopt a
27 tax rate before the date required by Subsection (a), the tax rate

for the taxing unit for that tax year is the lower of the no-new-revenue ~~[effective]~~ tax rate calculated for that tax year or the tax rate adopted by the taxing unit for the preceding tax year. A tax rate established by this subsection is treated as an adopted tax rate. Before the fifth day after the establishment of a tax rate by this subsection, the governing body of the taxing unit must ratify the applicable tax rate in the manner required by Subsection (b).

(d) The governing body of a taxing unit other than a school district may not adopt a tax rate that exceeds the lower of the rollback tax rate or the no-new-revenue ~~[effective]~~ tax rate calculated as provided by this chapter until the governing body has held a public hearing ~~[two public hearings]~~ on the proposed tax rate and has otherwise complied with Section 26.06 and Section 26.065. The governing body of a taxing unit shall reduce a tax rate set by law or by vote of the electorate to the lower of the rollback tax rate or the no-new-revenue ~~[effective]~~ tax rate and may not adopt a higher rate unless it first complies with Section 26.06.

(d-1) The governing body of a taxing unit other than a school district may not hold a public hearing on a proposed tax rate or a public meeting to adopt a tax rate until the fifth business day after the date the chief appraiser of each appraisal district in which the taxing unit participates has:

(1) delivered the notice required by Section 26.04(e-2); and

(2) complied with Section 26.17(f).

(d-2) Notwithstanding Subsection (a), the governing body of

1 a taxing unit other than a school district may not adopt a tax rate
2 until the chief appraiser of each appraisal district in which the
3 taxing unit participates has complied with Subsection (d-1).

4 (e) A person who owns taxable property is entitled to an
5 injunction restraining the collection of taxes by a taxing unit in
6 which the property is taxable if the taxing unit has not complied
7 with the requirements of this section or Section 26.04 ~~[and the~~
8 ~~failure to comply was not in good faith]~~. It is a defense in an
9 action for an injunction under this subsection that the failure to
10 comply was in good faith. An action to enjoin the collection of
11 taxes must be filed not later than the 15th day after the date the
12 taxing unit adopts a tax rate. A property owner is not required to
13 pay the taxes imposed by a taxing unit on the owner's property while
14 an action filed by the property owner to enjoin the collection of
15 taxes imposed by the taxing unit on the owner's property is pending.
16 If the property owner pays the taxes and subsequently prevails in
17 the action, the property owner is entitled to a refund of the taxes
18 paid, together with reasonable attorney's fees and court costs.
19 The property owner is not required to apply to the collector for the
20 taxing unit to receive the refund ~~[prior to the date a taxing unit~~
21 ~~delivers substantially all of its tax bills]~~.

22 (e-1) The governing body of a taxing unit that imposes an
23 additional sales and use tax may not adopt the component of the tax
24 rate of the taxing unit described by Subsection (a)(1) of this
25 section until the chief financial officer or the auditor for the
26 taxing unit submits to the governing body of the taxing unit a
27 written certification that the amount of additional sales and use

tax revenue that will be used to pay debt service has been deducted from the total amount described by Section 26.04(e)(4)(C) as required by Subsection (a)(1) of this section. The comptroller shall prescribe the form of the certification required by this subsection and the manner in which it is required to be submitted.

(g) Notwithstanding Subsection (a), the governing body of a school district that elects to adopt a tax rate before the adoption of a budget for the fiscal year that begins in the current tax year may adopt a tax rate for the current tax year before receipt of the certified appraisal roll for the school district if the chief appraiser of the appraisal district in which the school district participates has certified to the assessor for the school district an estimate of the taxable value of property in the school district as provided by Section 26.01(e). If a school district adopts a tax rate under this subsection, the no-new-revenue ~~[effective]~~ tax rate and the rollback tax rate of the district shall be calculated based on the certified estimate of taxable value.

SECTION 36. Section 26.052, Tax Code, is amended by amending Subsection (e) and adding Subsection (f) to read as follows:

(e) Public notice provided under Subsection (c) must specify:

(1) the tax rate that the governing body proposes to adopt;

(2) the date, time, and location of the meeting of the governing body of the taxing unit at which the governing body will consider adopting the proposed tax rate; and

(3) if the proposed tax rate for the taxing unit exceeds the taxing unit's no-new-revenue ~~[effective]~~ tax rate calculated as provided by Section 26.04, a statement substantially identical to the following: "The proposed tax rate would increase total taxes in (name of taxing unit) by (percentage by which the proposed tax rate exceeds the no-new-revenue ~~[effective]~~ tax rate)."

(f) A taxing unit to which this section applies that elects to provide public notice of its proposed tax rate under Subsection (c)(2) must also provide public notice of its proposed tax rate by posting notice of the proposed tax rate, including the information prescribed by Subsection (e), prominently on the home page of the Internet website of the taxing unit.

SECTION 37. Section 26.06, Tax Code, is amended by amending Subsections (a), (b), (c), (d), and (e) and adding Subsections (b-1), (b-2), (b-3), and (b-4) to read as follows:

(a) A public hearing required by Section 26.05 may not be held before the seventh day after the date the notice of the public hearing is given. The ~~[second hearing may not be held earlier than the third day after the date of the first hearing. Each]~~ hearing must be on a weekday that is not a public holiday. The ~~[Each]~~ hearing must be held inside the boundaries of the unit in a publicly owned building or, if a suitable publicly owned building is not available, in a suitable building to which the public normally has access. At the hearing ~~[hearings]~~, the governing body must afford adequate opportunity for proponents and opponents of the tax increase to present their views.

(b) The notice of a public hearing may not be smaller than one-quarter page of a standard-size or a tabloid-size newspaper, and the headline on the notice must be in 24-point or larger type.

~~[The notice must contain a statement in the following form:]~~

~~["NOTICE OF PUBLIC HEARING ON TAX INCREASE~~

~~["The (name of the taxing unit) will hold two public hearings on a proposal to increase total tax revenues from properties on the tax roll in the preceding tax year by (percentage by which proposed tax rate exceeds lower of rollback tax rate or effective tax rate calculated under this chapter) percent. Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the change in the taxable value of your property in relation to the change in taxable value of all other property and the tax rate that is adopted.~~

~~["The first public hearing will be held on (date and time) at (meeting place).~~

~~["The second public hearing will be held on (date and time) at (meeting place).~~

~~["(Names of all members of the governing body, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, indicating the absences.)~~

~~["The average taxable value of a residence homestead in (name of taxing unit) last year was \$_____ (average taxable value of a residence homestead in the taxing unit for the preceding tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older). Based on last year's tax rate of \$_____ (preceding year's adopted tax rate)~~

~~per \$100 of taxable value, the amount of taxes imposed last year on the average home was \$_____ (tax on average taxable value of a residence homestead in the taxing unit for the preceding tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older).~~

~~["The average taxable value of a residence homestead in (name of taxing unit) this year is \$_____ (average taxable value of a residence homestead in the taxing unit for the current tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older). If the governing body adopts the effective tax rate for this year of \$_____ (effective tax rate) per \$100 of taxable value, the amount of taxes imposed this year on the average home would be \$_____ (tax on average taxable value of a residence homestead in the taxing unit for the current tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older).~~

~~["If the governing body adopts the proposed tax rate of \$_____ (proposed tax rate) per \$100 of taxable value, the amount of taxes imposed this year on the average home would be \$_____ (tax on the average taxable value of a residence in the taxing unit for the current year disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older).~~

~~["Members of the public are encouraged to attend the hearings and express their views."]~~

(b-1) If the proposed tax rate exceeds the no-new-revenue tax rate and the rollback tax rate of the taxing unit, the notice

1 must contain a statement in the following form:

2 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

3 "PROPOSED TAX RATE \$_____ per \$100

4 "NO-NEW-REVENUE TAX RATE \$_____ per \$100

5 "ROLLBACK TAX RATE \$_____ per \$100

6 "The no-new-revenue tax rate is the tax rate for the (current
7 tax year) tax year that will raise the same amount of property tax
8 revenue for (name of taxing unit) from the same properties in both
9 the (preceding tax year) tax year and the (current tax year) tax
10 year.

11 "The rollback tax rate is the highest tax rate that (name of
12 taxing unit) may adopt without holding an election to ratify the
13 rate.

14 "The proposed tax rate is greater than the no-new-revenue tax
15 rate. This means that (name of taxing unit) is proposing to
16 increase property taxes for the (current tax year) tax year.

17 "A public hearing on the proposed tax rate will be held on
18 (date and time) at (meeting place).

19 "The proposed tax rate is also greater than the rollback tax
20 rate. If (name of taxing unit) adopts the proposed tax rate, (name
21 of taxing unit) is required to hold an election so that the voters
22 may accept or reject the proposed tax rate. If a majority of the
23 voters reject the proposed tax rate, the (name of taxing unit) will
24 be required to adopt a new tax rate that is not greater than the
25 rollback tax rate. The election will be held on (date of election).

26 You may contact the (name of office responsible for administering
27 the election) for information about voting locations. The hours of

voting on election day are (voting hours).

"Your taxes owed under any of the tax rates mentioned above
can be calculated as follows:

"Property tax amount = tax rate x taxable value of your
property / 100

"(Names of all members of the governing body, showing how
each voted on the proposal to consider the tax increase or, if one
or more were absent, indicating the absences.)"

(b-2) If the proposed tax rate exceeds the no-new-revenue
tax rate but does not exceed the rollback tax rate of the taxing
unit, the notice must contain a statement in the following form:

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

"PROPOSED TAX RATE \$_____ per \$100

"NO-NEW-REVENUE TAX RATE \$_____ per \$100

"ROLLBACK TAX RATE \$_____ per \$100

"The no-new-revenue tax rate is the tax rate for the (current
tax year) tax year that will raise the same amount of property tax
revenue for (name of taxing unit) from the same properties in both
the (preceding tax year) tax year and the (current tax year) tax
year.

"The rollback tax rate is the highest tax rate that (name of
taxing unit) may adopt without holding an election to ratify the
rate.

"The proposed tax rate is greater than the no-new-revenue tax
rate. This means that (name of taxing unit) is proposing to
increase property taxes for the (current tax year) tax year.

"A public hearing on the proposed tax rate will be held on

(date and time) at (meeting place).

"The proposed tax rate is not greater than the rollback tax rate. As a result, (name of taxing unit) is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the (name of governing body) of (name of taxing unit) at their offices or by attending the public hearing mentioned above.

"Your taxes owed under any of the tax rates mentioned above can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

"(Names of all members of the governing body, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, indicating the absences.)"

(b-3) If the proposed tax rate does not exceed the no-new-revenue tax rate but exceeds the rollback tax rate of the taxing unit, the notice must contain a statement in the following form:

"NOTICE OF PUBLIC HEARING ON TAX RATE

"PROPOSED TAX RATE \$_____ per \$100

"NO-NEW-REVENUE TAX RATE \$_____ per \$100

"ROLLBACK TAX RATE \$_____ per \$100

"The no-new-revenue tax rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax

1 year.

2 "The rollback tax rate is the highest tax rate that (name of
3 taxing unit) may adopt without holding an election to ratify the
4 rate.

5 "The proposed tax rate is not greater than the no-new-revenue
6 tax rate. This means that (name of taxing unit) is not proposing to
7 increase property taxes for the (current tax year) tax year.

8 "A public hearing on the proposed tax rate will be held on
9 (date and time) at (meeting place).

10 "The proposed tax rate is greater than the rollback tax rate.
11 If (name of taxing unit) adopts the proposed tax rate, (name of
12 taxing unit) is required to hold an election so that the voters may
13 accept or reject the proposed tax rate. If a majority of the voters
14 reject the proposed tax rate, the (name of taxing unit) will be
15 required to adopt a new tax rate that is not greater than the
16 rollback tax rate. The election will be held on (date of election).
17 You may contact the (name of office responsible for administering
18 the election) for information about voting locations. The hours of
19 voting on election day are (voting hours).

20 "Your taxes owed under any of the tax rates mentioned above
21 can be calculated as follows:

22 "Property tax amount = tax rate x taxable value of your
23 property / 100

24 "(Names of all members of the governing body, showing how
25 each voted on the proposal to consider the tax rate or, if one or
26 more were absent, indicating the absences.)"

27 (b-4) In addition to including the information described by

1 Subsection (b-1), (b-2), or (b-3), as applicable, the notice must
 2 include the information described by Section 26.062.

3 (c) The notice of a public hearing under this section may be
 4 delivered by mail to each property owner in the taxing unit, or may
 5 be published in a newspaper. If the notice is published in a
 6 newspaper, it may not be in the part of the paper in which legal
 7 notices and classified advertisements appear. If the taxing unit
 8 publishes the notice in a newspaper ~~[operates an Internet website]~~,
 9 the taxing unit must also post the notice prominently on the home
 10 page of the Internet website of the taxing unit ~~[must be posted on~~
 11 ~~the website]~~ from the date the notice is first published until the
 12 ~~[second]~~ public hearing is concluded.

13 (d) The governing body may vote on the proposed tax rate at
 14 the public hearing. If the governing body does not vote on the
 15 proposed tax rate at the public hearing, ~~[At the public hearings]~~
 16 the governing body shall announce at the public hearing the date,
 17 time, and place of the meeting at which it will vote on the proposed
 18 tax rate and, after the hearing, ~~[After each hearing the~~
 19 ~~governing body]~~ shall give notice of the meeting ~~[at which it will~~
 20 ~~vote on the proposed tax rate and the notice shall be]~~ in the same
 21 form as prescribed by Subsections (b) and (c), except that the
 22 notice ~~[it]~~ must state the following:

23 "NOTICE OF TAX REVENUE INCREASE

24 "The (name of the taxing unit) conducted a public hearing
 25 ~~[hearings]~~ on (date of ~~[first]~~ hearing) ~~[and (date of second~~
 26 ~~hearing)]~~ on a proposal to increase the total tax revenues of the
 27 (name of the taxing unit) from properties on the tax roll in the

preceding year by (percentage by which proposed tax rate exceeds lower of rollback tax rate or no-new-revenue ~~[effective]~~ tax rate calculated under this chapter) percent.

"The total tax revenue proposed to be raised last year at last year's tax rate of (insert tax rate for the preceding year) for each \$100 of taxable value was (insert total amount of taxes imposed in the preceding year).

"The total tax revenue proposed to be raised this year at the proposed tax rate of (insert proposed tax rate) for each \$100 of taxable value, excluding tax revenue to be raised from new property added to the tax roll this year, is (insert amount computed by multiplying proposed tax rate by the difference between current total value and new property value).

"The total tax revenue proposed to be raised this year at the proposed tax rate of (insert proposed tax rate) for each \$100 of taxable value, including tax revenue to be raised from new property added to the tax roll this year, is (insert amount computed by multiplying proposed tax rate by current total value).

"The (governing body of the taxing unit) is scheduled to vote on the tax rate that will result in that tax increase at a public meeting to be held on (date of meeting) at (location of meeting, including mailing address) at (time of meeting).

"The (governing body of the taxing unit) proposes to use the increase in total tax revenue for the purpose of (description of purpose of increase)."

(e) A ~~[The]~~ meeting to vote on the tax increase for which notice is required to be provided under Subsection (d) may not be

1 held [~~earlier than the third day or~~] later than the seventh [~~14th~~]
2 day after the date of the [~~second~~] public hearing. The meeting must
3 be held inside the boundaries of the taxing unit in a publicly owned
4 building or, if a suitable publicly owned building is not
5 available, in a suitable building to which the public normally has
6 access. If the governing body does not adopt a tax rate that
7 exceeds the lower of the rollback tax rate or the no-new-revenue
8 [~~effective~~] tax rate by the seventh [~~14th~~] day, it must give a new
9 notice under Subsection (d) before it may adopt a rate that exceeds
10 the lower of the rollback tax rate or the no-new-revenue
11 [~~effective~~] tax rate.

12 SECTION 38. Chapter 26, Tax Code, is amended by adding
13 Sections 26.061 and 26.062 to read as follows:

14 Sec. 26.061. NOTICE OF MEETING TO VOTE ON PROPOSED TAX RATE
15 THAT DOES NOT EXCEED LOWER OF NO-NEW-REVENUE OR ROLLBACK TAX RATE.

16 (a) This section applies only to the governing body of a taxing
17 unit other than a school district that proposes to adopt a tax rate
18 that does not exceed the lower of the no-new-revenue tax rate or the
19 rollback tax rate calculated as provided by this chapter.

20 (b) The notice of the meeting at which the governing body of
21 the taxing unit will vote on the proposed tax rate must contain a
22 statement in the following form:

23 "NOTICE OF MEETING TO VOTE ON TAX RATE

24 "PROPOSED TAX RATE \$_____ per \$100

25 "NO-NEW-REVENUE TAX RATE \$_____ per \$100

26 "ROLLBACK TAX RATE \$_____ per \$100

27 "The no-new-revenue tax rate is the tax rate for the (current

tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The rollback tax rate is the highest tax rate that (name of taxing unit) may adopt without holding an election to ratify the rate.

"The proposed tax rate is not greater than the no-new-revenue tax rate. This means that (name of taxing unit) is not proposing to increase property taxes for the (current tax year) tax year.

"A public meeting to vote on the proposed tax rate will be held on (date and time) at (meeting place).

"The proposed tax rate is also not greater than the rollback tax rate. As a result, (name of taxing unit) is not required to hold an election to ratify the rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the (name of governing body) of (name of taxing unit) at their offices or by attending the public meeting mentioned above.

"Your taxes owed under any of the above rates can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

"(Names of all members of the governing body, showing how each voted on the proposed tax rate or, if one or more were absent, indicating the absences.)"

(c) In addition to including the information described by Subsection (b), the notice must include the information described

1 by Section 26.062.

2 (d) The notice required under this section must be provided
3 in the manner required under Section 26.06(c).

4 Sec. 26.062. ADDITIONAL INFORMATION TO BE INCLUDED IN TAX
5 RATE NOTICE. (a) In addition to the information described by
6 Section 26.06(b-1), (b-2), or (b-3) or 26.061, as applicable, a
7 notice required by that provision must include at the end of the
8 notice:

9 (1) a statement in the following form:

10 "The following table compares the taxes imposed on the
11 average residence homestead by (name of taxing unit) last year to
12 the taxes proposed to be imposed on the average residence homestead
13 by (name of taxing unit) this year:";

14 (2) a table in the form required by this section
15 following the statement described by Subdivision (1); and

16 (3) a statement in the following form following the
17 table:

18 (A) if the tax assessor for the taxing unit
19 maintains an Internet website: "For assistance with tax
20 calculations, please contact the tax assessor for (name of taxing
21 unit) at (telephone number) or (e-mail address), or visit (Internet
22 website address) for more information."; or

23 (B) if the tax assessor for the taxing unit does
24 not maintain an Internet website: "For assistance with tax
25 calculations, please contact the tax assessor for (name of taxing
26 unit) at (telephone number) or (e-mail address)."

27 (b) The table must contain five rows and four columns.

1 (c) The first row must appear as follows:

2 (1) the first column of the first row must be left
3 blank;

4 (2) the second column of the first row must state the
5 year corresponding to the preceding tax year;

6 (3) the third column of the first row must state the
7 year corresponding to the current tax year; and

8 (4) the fourth column of the first row must be entitled
9 "Change".

10 (d) The second row must appear as follows:

11 (1) the first column of the second row must be entitled
12 "Total tax rate (per \$100 of value)";

13 (2) the second column of the second row must state the
14 adopted tax rate for the preceding tax year;

15 (3) the third column of the second row must state the
16 proposed tax rate for the current tax year; and

17 (4) the fourth column of the second row must state the
18 nominal and percentage difference between the adopted tax rate for
19 the preceding tax year and the proposed tax rate for the current tax
20 year as follows: "(increase or decrease, as applicable) of
21 (nominal difference between tax rate stated in second column of
22 second row and tax rate stated in third column of second row) per
23 \$100, or (percentage difference between tax rate stated in second
24 column of second row and tax rate stated in third column of second
25 row)%".

26 (e) The third row must appear as follows:

27 (1) the first column of the third row must be entitled

1 "Average homestead taxable value";

2 (2) the second column of the third row must state the
3 average taxable value of a residence homestead in the taxing unit
4 for the preceding tax year;

5 (3) the third column of the third row must state the
6 average taxable value of a residence homestead in the taxing unit
7 for the current tax year; and

8 (4) the fourth column of the third row must state the
9 percentage difference between the average taxable value of a
10 residence homestead in the taxing unit for the preceding tax year
11 and the average taxable value of a residence homestead in the taxing
12 unit for the current tax year as follows: "(increase or decrease,
13 as applicable) of (percentage difference between amount stated in
14 second column of third row and amount stated in third column of
15 third row)%".

16 (f) The fourth row must appear as follows:

17 (1) the first column of the fourth row must be entitled
18 "Tax on average homestead";

19 (2) the second column of the fourth row must state the
20 amount of taxes imposed by the taxing unit in the preceding tax year
21 on a residence homestead with a taxable value equal to the average
22 taxable value of a residence homestead in the taxing unit in the
23 preceding tax year;

24 (3) the third column of the fourth row must state the
25 amount of taxes that would be imposed by the taxing unit in the
26 current tax year on a residence homestead with a taxable value equal
27 to the average taxable value of a residence homestead in the taxing

unit in the current tax year if the taxing unit adopted the proposed tax rate; and

(4) the fourth column of the fourth row must state the nominal and percentage difference between the amount of taxes imposed by the taxing unit in the preceding tax year on a residence homestead with a taxable value equal to the average taxable value of a residence homestead in the taxing unit in the preceding tax year and the amount of taxes that would be imposed by the taxing unit in the current tax year on a residence homestead with a taxable value equal to the average taxable value of a residence homestead in the taxing unit in the current tax year if the taxing unit adopted the proposed tax rate, as follows: "(increase or decrease, as applicable) of (nominal difference between amount stated in second column of fourth row and amount stated in third column of fourth row), or (percentage difference between amount stated in second column of fourth row and amount stated in third column of fourth row)%".

(g) The fifth row must appear as follows:

(1) the first column of the fifth row must be entitled "Total tax levy on all properties";

(2) the second column of the fifth row must state the amount equal to last year's levy;

(3) the third column of the fifth row must state the amount computed by multiplying the proposed tax rate by the current total value and dividing the product by 100; and

(4) the fourth column of the fifth row must state the nominal and percentage difference between the total amount of taxes

1 imposed by the taxing unit in the preceding tax year and the amount
 2 that would be imposed by the taxing unit in the current tax year if
 3 the taxing unit adopted the proposed tax rate, as follows:
 4 "(increase or decrease, as applicable) of (nominal difference
 5 between amount stated in second column of fifth row and amount
 6 stated in third column of fifth row), or (percentage difference
 7 between amount stated in second column of fifth row and amount
 8 stated in third column of fifth row)%".

9 (h) In calculating the average taxable value of a residence
 10 homestead in the taxing unit for the preceding tax year and the
 11 current tax year for purposes of Subsections (e) and (f), any
 12 residence homestead exemption available only to disabled persons,
 13 persons 65 years of age or older, or their surviving spouses must be
 14 disregarded.

15 SECTION 39. Section 26.065(b), Tax Code, is amended to read
 16 as follows:

17 (b) The ~~[If the]~~ taxing unit ~~[owns, operates, or controls an~~
 18 ~~Internet website, the unit]~~ shall post notice of the public hearing
 19 prominently on the home page of the Internet website of the taxing
 20 unit continuously for at least seven days immediately before the
 21 public hearing on the proposed tax rate increase and at least seven
 22 days immediately before the date of the vote proposing the increase
 23 in the tax rate.

24 SECTION 40. Section 26.07, Tax Code, is amended to read as
 25 follows:

26 Sec. 26.07. ELECTION TO APPROVE TAX RATE OF TAXING UNIT
 27 OTHER THAN SCHOOL DISTRICT ~~[REPEAL INCREASE]~~. (a) This section

applies to ~~[If the governing body of]~~ a taxing unit other than a school district.

(b) If the governing body of a taxing unit adopts a tax rate that exceeds the taxing unit's rollback tax rate ~~[calculated as provided by this chapter]~~, the registered ~~[qualified]~~ voters of the taxing unit at an election held for that purpose must determine whether to approve the adopted tax rate. When increased expenditure of money by a taxing unit is necessary to respond to a disaster, including a tornado, hurricane, flood, or other calamity, but not including a drought, that has impacted the taxing unit and the governor has declared any part of the area in which the taxing unit is located as a disaster area, an election is not required under this section to approve the tax rate adopted by the governing body for the year following the year in which the disaster occurs ~~[by petition may require that an election be held to determine whether or not to reduce the tax rate adopted for the current year to the rollback tax rate calculated as provided by this chapter]~~.

~~[(b) A petition is valid only if:~~

~~[(1) it states that it is intended to require an election in the taxing unit on the question of reducing the tax rate for the current year,~~

~~[(2) it is signed by a number of registered voters of the taxing unit equal to at least:~~

~~[(A) seven percent of the number of registered voters of the taxing unit according to the most recent list of registered voters if the tax rate adopted for the current tax year would impose taxes for maintenance and operations in an amount of at~~

1 ~~least \$5 million; or~~

2 ~~[(B) 10 percent of the number of registered~~
 3 ~~voters of the taxing unit according to the most recent official list~~
 4 ~~of registered voters if the tax rate adopted for the current tax~~
 5 ~~year would impose taxes for maintenance and operations in an amount~~
 6 ~~of less than \$5 million; and~~

7 ~~[(3) it is submitted to the governing body on or before~~
 8 ~~the 90th day after the date on which the governing body adopted the~~
 9 ~~tax rate for the current year.]~~

10 (c) The governing body ~~[Not later than the 20th day after~~
 11 ~~the day a petition is submitted, the governing body shall determine~~
 12 ~~whether or not the petition is valid and pass a resolution stating~~
 13 ~~its finding. If the governing body fails to act within the time~~
 14 ~~allowed, the petition is treated as if it had been found valid.~~

15 ~~[(d) If the governing body finds that the petition is valid~~
 16 ~~(or fails to act within the time allowed), it] shall order that the~~
 17 ~~[an] election be held in the taxing unit on the uniform election~~
 18 ~~date prescribed by Section 41.001, Election Code, that occurs in~~
 19 ~~November of the applicable tax year. The order calling the election~~
 20 ~~may not be issued later than August 15 [a date not less than 30 or~~
 21 ~~more than 90 days after the last day on which it could have acted to~~
 22 ~~approve or disapprove the petition. A state law requiring local~~
 23 ~~elections to be held on a specified date does not apply to the~~
 24 ~~election unless a specified date falls within the time permitted by~~
 25 ~~this section]. At the election, the ballots shall be prepared to~~
 26 ~~permit voting for or against the proposition: "Approving the ad~~
 27 ~~valorem tax rate of \$_____ per \$100 valuation in (name of taxing~~

unit) for the current year, a rate that is \$_____ higher per \$100 valuation than the rollback tax rate of (name of taxing unit), for the purpose of (description of purpose of increase) [~~"Reducing the tax rate in (name of taxing unit) for the current year from (the rate adopted) to (the rollback tax rate calculated as provided by this chapter)." The ballot proposition must include the adopted tax rate and the difference between that rate and the rollback tax rate in the appropriate places.~~]

(d) [~~(e)~~] If a majority of the votes cast [~~qualified voters voting on the question~~] in the election favor the proposition, the tax rate for the [~~taxing unit for the~~] current year is the [~~rollback tax~~] rate that was adopted by the governing body [~~calculated as provided by this chapter; otherwise, the tax rate for the current year is the one adopted by the governing body~~].

(e) If the proposition is not approved as provided by Subsection (d), the governing body may not adopt a tax rate for the taxing unit for the current year that exceeds the taxing unit's rollback tax rate.

(f) If, [~~the tax rate is reduced by an election called under this section~~] after tax bills for the taxing unit have been [~~are~~] mailed, a proposition to approve the taxing unit's adopted tax rate is not approved by the voters of the taxing unit at an election held under this section, on subsequent adoption of a new tax rate by the governing body of the taxing unit, the assessor for the taxing unit shall prepare and mail corrected tax bills. The assessor [~~He~~] shall include with the bill a brief explanation of the reason for and effect of the corrected bill. The date on which the taxes become

delinquent for the year is extended by a number of days equal to the number of days between the date the first tax bills were sent and the date the corrected tax bills were sent.

(g) If a property owner pays taxes calculated using the originally adopted ~~[higher]~~ tax rate of the taxing unit and the proposition to approve the adopted tax rate is not approved by voters ~~[when the rate is reduced by an election called under this section]~~, the taxing unit shall refund the difference between the amount of taxes paid and the amount due under the subsequently adopted ~~[reduced]~~ rate if the difference between the amount of taxes paid and the amount due under the subsequent ~~[reduced]~~ rate is \$1 or more. If the difference between the amount of taxes paid and the amount due under the subsequent ~~[reduced]~~ rate is less than \$1, the taxing unit shall refund the difference on request of the taxpayer. An application for a refund of less than \$1 must be made within 90 days after the date the refund becomes due or the taxpayer forfeits the right to the refund.

SECTION 41. The heading to Section 26.16, Tax Code, is amended to read as follows:

Sec. 26.16. POSTING OF TAX-RELATED INFORMATION ~~[TAX RATES]~~ ON COUNTY'S INTERNET WEBSITE.

SECTION 42. Section 26.16, Tax Code, is amended by amending Subsections (a) and (d) and adding Subsections (a-1), (d-1), and (d-2) to read as follows:

(a) Each county shall maintain an Internet website. The county assessor-collector for each county ~~[that maintains an Internet website]~~ shall post on the Internet website maintained by

~~[of]~~ the county the following information for the most recent five tax years ~~[beginning with the 2012 tax year]~~ for each taxing unit all or part of the territory of which is located in the county:

- (1) the adopted tax rate;
- (2) the maintenance and operations rate;
- (3) the debt rate;
- (4) the no-new-revenue ~~[effective]~~ tax rate;
- (5) the no-new-revenue ~~[effective]~~ maintenance and operations rate; and
- (6) the rollback tax rate.

(a-1) For purposes of Subsection (a), a reference to the no-new-revenue tax rate or the no-new-revenue maintenance and operations rate includes the equivalent effective tax rate or effective maintenance and operations rate for a preceding year. This subsection expires January 1, 2026.

(d) The county assessor-collector shall post immediately below the table prescribed by Subsection (c) the following statement:

"The county is providing this table of property tax rate information as a service to the residents of the county. Each individual taxing unit is responsible for calculating the property tax rates listed in this table pertaining to that taxing unit and providing that information to the county.

"The adopted tax rate is the tax rate adopted by the governing body of a taxing unit.

"The maintenance and operations rate is the component of the adopted tax rate of a taxing unit that will impose the amount of

1 taxes needed to fund maintenance and operation expenditures of the
2 taxing unit for the following year.

3 "The debt rate is the component of the adopted tax rate of a
4 taxing unit that will impose the amount of taxes needed to fund the
5 taxing unit's debt service for the following year.

6 "The no-new-revenue [~~effective~~] tax rate is the tax rate that
7 would generate the same amount of revenue in the current tax year as
8 was generated by a taxing unit's adopted tax rate in the preceding
9 tax year from property that is taxable in both the current tax year
10 and the preceding tax year.

11 "The no-new-revenue [~~effective~~] maintenance and operations
12 rate is the tax rate that would generate the same amount of revenue
13 for maintenance and operations in the current tax year as was
14 generated by a taxing unit's maintenance and operations rate in the
15 preceding tax year from property that is taxable in both the current
16 tax year and the preceding tax year.

17 "The rollback tax rate is the highest tax rate a taxing unit
18 may adopt before requiring voter approval at an election. An [~~In~~
19 ~~the case of a taxing unit other than a school district, the voters~~
20 ~~by petition may require that a rollback election be held if the unit~~
21 ~~adopts a tax rate in excess of the unit's rollback tax rate. In the~~
22 ~~case of a school district, an~~] election will automatically be held
23 if a taxing unit [~~the district~~] wishes to adopt a tax rate in excess
24 of the taxing unit's [~~district's~~] rollback tax rate."

25 (d-1) In addition to posting the information described by
26 Subsection (a), the county assessor-collector shall post on the
27 Internet website of the county for each taxing unit all or part of

the territory of which is located in the county:

(1) the tax rate calculation forms used by the designated officer or employee of each taxing unit to calculate the no-new-revenue and rollback tax rates of the taxing unit for the most recent five tax years beginning with the 2020 tax year, as certified by the designated officer or employee under Section 26.04(d-2); and

(2) the name and official contact information for each member of the governing body of the taxing unit.

(d-2) Not later than August 1, the county assessor-collector shall post on the website the tax rate calculation forms described by Subsection (d-1)(1) for the current tax year.

SECTION 43. Chapter 26, Tax Code, is amended by adding Sections 26.17 and 26.18 to read as follows:

Sec. 26.17. DATABASE OF PROPERTY-TAX-RELATED INFORMATION.

(a) The chief appraiser of each appraisal district shall create and maintain a property tax database that:

(1) is identified by the name of the county in which the appraisal district is established instead of the name of the appraisal district;

(2) contains information that is provided by designated officers or employees of the taxing units that are located in the appraisal district in the manner required by the comptroller;

(3) is continuously updated as preliminary and revised data become available to and are provided by the designated

officers or employees of taxing units;

(4) is accessible to the public; and

(5) is searchable by property address and owner,
except to the extent that access to the information in the database
is restricted by Section 25.025 or 25.026.

(b) The database must include, with respect to each property
listed on the appraisal roll for the appraisal district:

(1) the property's identification number;

(2) the property's market value;

(3) the property's taxable value;

(4) the name of each taxing unit in which the property
is located;

(5) for each taxing unit other than a school district
in which the property is located:

(A) the no-new-revenue tax rate; and

(B) the rollback tax rate;

(6) for each school district in which the property is
located:

(A) the tax rate that would maintain the same
amount of state and local revenue per weighted student that the
district received in the school year beginning in the preceding tax
year; and

(B) the rollback tax rate;

(7) the tax rate proposed by the governing body of each
taxing unit in which the property is located;

(8) for each taxing unit other than a school district
in which the property is located, the taxes that would be imposed on

1 the property if the taxing unit adopted a tax rate equal to:

2 (A) the no-new-revenue tax rate; and

3 (B) the proposed tax rate;

4 (9) for each school district in which the property is
5 located, the taxes that would be imposed on the property if the
6 district adopted a tax rate equal to:

7 (A) the tax rate that would maintain the same
8 amount of state and local revenue per weighted student that the
9 district received in the school year beginning in the preceding tax
10 year; and

11 (B) the proposed tax rate;

12 (10) for each taxing unit other than a school district
13 in which the property is located, the difference between the amount
14 calculated under Subdivision (8)(A) and the amount calculated under
15 Subdivision (8)(B);

16 (11) for each school district in which the property is
17 located, the difference between the amount calculated under
18 Subdivision (9)(A) and the amount calculated under Subdivision
19 (9)(B);

20 (12) the date, time, and location of the public
21 hearing, if applicable, on the proposed tax rate to be held by the
22 governing body of each taxing unit in which the property is located;

23 (13) the date, time, and location of the public
24 meeting, if applicable, at which the tax rate will be adopted to be
25 held by the governing body of each taxing unit in which the property
26 is located; and

27 (14) for each taxing unit in which the property is

1 located, an e-mail address at which the taxing unit is capable of
2 receiving written comments regarding the proposed tax rate of the
3 taxing unit.

4 (c) The database must provide a link to the Internet website
5 used by each taxing unit in which the property is located to post
6 the information described by Section 26.18.

7 (d) The database must allow the property owner to
8 electronically complete and submit to a taxing unit in which the
9 owner's property is located a form on which the owner may provide
10 the owner's opinion as to whether the tax rate proposed by the
11 governing body of the taxing unit should be adopted. The form must
12 require the owner to provide the owner's name and contact
13 information and the physical address of the owner's property
14 located in the taxing unit. The database must allow a property
15 owner to complete and submit the form at any time during the period
16 beginning on the date the governing body of the taxing unit proposes
17 the tax rate for that tax year and ending on the date the governing
18 body adopts a tax rate for that tax year.

19 (e) The officer or employee designated by the governing body
20 of each taxing unit in which the property is located to calculate
21 the no-new-revenue tax rate and the rollback tax rate for the taxing
22 unit must electronically incorporate into the database:

23 (1) the information described by Subsections (b)(5),
24 (6), (7), (12), and (13), as applicable, as the information becomes
25 available; and

26 (2) the tax rate calculation forms prepared under
27 Section 26.04(d-1) at the same time the designated officer or

employee submits the tax rates to the governing body of the taxing unit under Section 26.04(e).

(f) The chief appraiser shall make the information described by Subsection (e)(1) and the tax rate calculation forms described by Subsection (e)(2) available to the public not later than the third business day after the date the information and forms are incorporated into the database.

Sec. 26.18. POSTING OF TAX RATE AND BUDGET INFORMATION BY TAXING UNIT ON WEBSITE. Each taxing unit shall maintain an Internet website or have access to a generally accessible Internet website that may be used for the purposes of this section. Each taxing unit shall post or cause to be posted on the Internet website the following information in a format prescribed by the comptroller:

(1) the name of each member of the governing body of the taxing unit;

(2) the mailing address, e-mail address, and telephone number of the taxing unit;

(3) the official contact information for each member of the governing body of the taxing unit, if that information is different from the information described by Subdivision (2);

(4) the taxing unit's budget for the preceding two years;

(5) the taxing unit's proposed or adopted budget for the current year;

(6) the change in the amount of the taxing unit's budget from the preceding year to the current year, by dollar amount and percentage;

1 (7) in the case of a taxing unit other than a school
2 district, the amount of property tax revenue budgeted for
3 maintenance and operations for:

4 (A) the preceding two years; and

5 (B) the current year;

6 (8) in the case of a taxing unit other than a school
7 district, the amount of property tax revenue budgeted for debt
8 service for:

9 (A) the preceding two years; and

10 (B) the current year;

11 (9) the tax rate for maintenance and operations
12 adopted by the taxing unit for the preceding two years;

13 (10) in the case of a taxing unit other than a school
14 district, the tax rate for debt service adopted by the taxing unit
15 for the preceding two years;

16 (11) in the case of a school district, the interest and
17 sinking fund tax rate adopted by the district for the preceding two
18 years;

19 (12) the tax rate for maintenance and operations
20 proposed by the taxing unit for the current year;

21 (13) in the case of a taxing unit other than a school
22 district, the tax rate for debt service proposed by the taxing unit
23 for the current year;

24 (14) in the case of a school district, the interest and
25 sinking fund tax rate proposed by the district for the current year;
26 and

27 (15) the most recent financial audit of the taxing

1 unit.

2 SECTION 44. Section 31.12(b), Tax Code, is amended to read
3 as follows:

4 (b) For purposes of this section, liability for a refund
5 arises:

6 (1) if the refund is required by Section 11.431(b), on
7 the date the chief appraiser notifies the collector for the taxing
8 unit of the approval of the late homestead exemption;

9 (2) if the refund is required by Section 26.07(g), on
10 the date the subsequent tax rate is adopted [~~results of the election~~
11 ~~to reduce the tax rate are certified~~];

12 (3) if the refund is required by Section 26.15(f):

13 (A) for a correction to the tax roll made under
14 Section 26.15(b), on the date the change in the tax roll is
15 certified to the assessor for the taxing unit under Section 25.25;
16 or

17 (B) for a correction to the tax roll made under
18 Section 26.15(c), on the date the change in the tax roll is ordered
19 by the governing body of the taxing unit;

20 (4) if the refund is required by Section 31.11, on the
21 date the auditor for the taxing unit determines that the payment was
22 erroneous or excessive or, if the amount of the refund exceeds the
23 applicable amount specified by Section 31.11(a), on the date the
24 governing body of the taxing unit approves the refund;

25 (5) if the refund is required by Section 31.111, on the
26 date the collector for the taxing unit determines that the payment
27 was erroneous; or

(6) if the refund is required by Section 31.112, on the date required by Section 31.112(d) or (e), as applicable.

SECTION 45. Section 41.03(a), Tax Code, is amended to read as follows:

(a) A taxing unit is entitled to challenge before the appraisal review board:

~~(1) [the level of appraisals of any category of property in the district or in any territory in the district, but not the appraised value of a single taxpayer's property,~~

~~(2)]~~ an exclusion of property from the appraisal records;

(2) ~~(3)]~~ a grant in whole or in part of a partial exemption;

(3) ~~(4)]~~ a determination that land qualifies for appraisal as provided by Subchapter C, D, E, or H, Chapter 23; or

(4) ~~(5)]~~ failure to identify the taxing unit as one in which a particular property is taxable.

SECTION 46. Section 41.44(d), Tax Code, is amended to read as follows:

(d) A notice of protest is sufficient if it identifies the protesting property owner, including a person claiming an ownership interest in the property even if that person is not listed on the appraisal records as an owner of the property, identifies the property that is the subject of the protest, and indicates apparent dissatisfaction with some determination of the appraisal office. The notice need not be on an official form, but the comptroller shall prescribe a form that provides for more detail about the

1 nature of the protest. The form must permit a property owner to
 2 include each property in the appraisal district that is the subject
 3 of a protest. The form must permit a property owner to request that
 4 the protest be heard by a special panel established under Section
 5 6.425 if the protest will be determined by an appraisal review board
 6 to which that section applies and the property is included in a
 7 classification described by Section 6.425(b). The comptroller,
 8 each appraisal office, and each appraisal review board shall make
 9 the forms readily available and deliver one to a property owner on
 10 request.

11 SECTION 47. Section 41.45, Tax Code, is amended by amending
 12 Subsection (d) and adding Subsections (d-1), (d-2), and (d-3) to
 13 read as follows:

14 (d) This subsection does not apply to a special panel
 15 established under Section 6.425. An appraisal review board
 16 consisting of more than three members may sit in panels of not fewer
 17 than three members to conduct protest hearings. [~~However, the~~
 18 ~~determination of a protest heard by a panel must be made by the~~
 19 ~~board.~~] If the recommendation of a panel is not accepted by the
 20 board, the board may refer the matter for rehearing to a panel
 21 composed of members who did not hear the original protest [~~hearing~~]
 22 or, if there are not at least three members who did not hear the
 23 original protest, the board may determine the protest. [~~Before~~
 24 ~~determining a protest or conducting a rehearing before a new panel~~
 25 ~~or the board, the board shall deliver notice of the hearing or~~
 26 ~~meeting to determine the protest in accordance with the provisions~~
 27 ~~of this subchapter.~~]

(d-1) An appraisal review board to which Section 6.425 applies shall sit in special panels established under that section to conduct protest hearings. A special panel may conduct a protest hearing relating to property only if the property is described by Section 6.425(b) and the property owner has requested that a special panel conduct the hearing or if the protest is assigned to the special panel under Section 6.425(f). If the recommendation of a special panel is not accepted by the board, the board may refer the matter for rehearing to another special panel composed of members who did not hear the original protest or, if there are not at least three other special panel members who did not hear the original protest, the board may determine the protest.

(d-2) The determination of a protest heard by a panel under Subsection (d) or (d-1) must be made by the board.

(d-3) The board must deliver notice of a hearing or meeting to determine a protest heard by a panel, or to rehear a protest, under Subsection (d) or (d-1) in accordance with the provisions of this subchapter.

SECTION 48. Section 41.46(a), Tax Code, is amended to read as follows:

(a) The appraisal review board before which a protest hearing is scheduled shall deliver written notice to the property owner initiating a protest not later than the 15th day before the date of the hearing. The notice must include:

(1) [of] the date, time, and place of [fixed for] the hearing;

(2) a description of the subject matter of the hearing

1 that is sufficient to identify the specific action being protested,
2 such as:

3 (A) the determination of the appraised value of
4 the property owner's property;

5 (B) the denial to the property owner in whole or
6 in part of a partial exemption; or

7 (C) the determination that the property owner's
8 land does not qualify for appraisal as provided by Subchapter C, D,
9 E, or H, Chapter 23; and

10 (3) a statement that ~~[on the protest and of]~~ the
11 property owner is entitled ~~[owner's entitlement]~~ to a postponement
12 of the hearing as provided by Section 41.45 unless the property
13 owner waives in writing notice of the hearing. ~~[The board shall~~
14 ~~deliver the notice not later than the 15th day before the date of~~
15 ~~the hearing.]~~

16 SECTION 49. Section 41.461, Tax Code, is amended to read as
17 follows:

18 Sec. 41.461. NOTICE OF CERTAIN MATTERS BEFORE HEARING;
19 DELIVERY OF REQUESTED INFORMATION. (a) At least 14 days before a
20 hearing on a protest, the chief appraiser shall:

21 (1) deliver a copy of the pamphlet prepared by the
22 comptroller under Section 5.06 ~~[5.06(a)]~~ to the property owner
23 initiating the protest ~~[if the owner is representing himself]~~, or
24 to an agent representing the owner if requested by the agent;

25 (2) inform the property owner that the owner or the
26 agent of the owner is entitled on request to ~~[may inspect and may~~
27 ~~obtain]~~ a copy of the data, schedules, formulas, and all other

1 information the chief appraiser will ~~[plans to]~~ introduce at the
2 hearing to establish any matter at issue; and

3 (3) deliver a copy of the hearing procedures
4 established by the appraisal review board under Section 41.66 to
5 the property owner.

6 (b) The chief appraiser may not charge a property owner or
7 the designated agent of the owner for copies provided to the [an]
8 owner or designated agent under this section, regardless of the
9 manner in which the copies are prepared or delivered ~~[may not exceed~~
10 ~~the charge for copies of public information as provided under~~
11 ~~Subchapter F, Chapter 552, Government Code, except:~~

12 ~~[(1) the total charge for copies provided in~~
13 ~~connection with a protest of the appraisal of residential property~~
14 ~~may not exceed \$15 for each residence; and~~

15 ~~[(2) the total charge for copies provided in~~
16 ~~connection with a protest of the appraisal of a single unit of~~
17 ~~property subject to appraisal, other than residential property, may~~
18 ~~not exceed \$25].~~

19 (c) A chief appraiser shall deliver information requested
20 by a property owner or the agent of the owner under Subsection
21 (a)(2):

22 (1) by regular first-class mail, deposited in the
23 United States mail, postage prepaid, and addressed to the property
24 owner or agent at the address provided in the request for the
25 information;

26 (2) in an electronic format as provided by an
27 agreement under Section 1.085; or

1 (3) subject to Subsection (d), by referring the
2 property owner or the agent of the owner to a secure Internet
3 website with user registration and authentication or to the exact
4 Internet location or uniform resource locator (URL) address on an
5 Internet website maintained by the appraisal district on which the
6 requested information is identifiable and readily available.

7 (d) If a chief appraiser provides a property owner or the
8 designated agent of the owner information under Subsection (c)(3),
9 the notice must contain a statement in a conspicuous font that
10 clearly indicates that the property owner or the agent of the owner
11 may on request receive the information by regular first-class mail
12 or in person at the appraisal office. On request by a property
13 owner or the agent of the owner, the chief appraiser must provide
14 the information by regular first-class mail or in person at the
15 appraisal office.

16 SECTION 50. Section [41.47](#), Tax Code, is amended by adding
17 Subsections (c-2) and (f) and amending Subsections (d) and (e) to
18 read as follows:

19 (c-2) The board may not determine the appraised value of the
20 property that is the subject of a protest to be an amount greater
21 than the appraised value of the property as shown in the appraisal
22 records submitted to the board by the chief appraiser under Section
23 [25.22](#) or [25.23](#). This subsection does not apply if the action being
24 protested is the cancellation, modification, or denial of an
25 exemption or the determination that the property does not qualify
26 for appraisal as provided by Subchapter C, D, E, or H, Chapter [23](#).

27 (d) The board shall deliver by certified mail:

1 (1) a notice of issuance of the order and a copy of the
2 order to the property owner and the chief appraiser; and

3 (2) a copy of the appraisal review board survey form
4 prepared under Section 5.104 and instructions for completing and
5 submitting the form to the property owner.

6 (e) The notice of the issuance of the order must contain a
7 prominently printed statement in upper-case bold lettering
8 informing the property owner in clear and concise language of the
9 property owner's right to appeal the order of the board [~~board's~~
10 ~~decision~~] to district court. The statement must describe the
11 deadline prescribed by Section 42.06(a) [~~of this code~~] for filing a
12 written notice of appeal[~~7~~] and the deadline prescribed by Section
13 42.21(a) [~~of this code~~] for filing the petition for review with the
14 district court.

15 (f) The appraisal review board shall take the actions
16 required by Subsections (a) and (d) not later than:

17 (1) the 30th day after the date the hearing on the
18 protest is concluded, if the board is established for an appraisal
19 district located in a county with a population of less than four
20 million; or

21 (2) the 45th day after the date the hearing on the
22 protest is concluded, if the board is established for an appraisal
23 district located in a county with a population of four million or
24 more.

25 SECTION 51. Section 41.66, Tax Code, is amended by amending
26 Subsections (h), (i), (j), and (k) and adding Subsections (j-1),
27 (k-1), and (p) to read as follows:

1 (h) The appraisal review board shall postpone a hearing on a
2 protest if the property owner or the designated agent of the owner
3 requests additional time to prepare for the hearing and establishes
4 to the board that the chief appraiser failed to comply with Section
5 41.461. The board is not required to postpone a hearing more than
6 one time under this subsection.

7 (i) A hearing on a protest filed by a property owner or the
8 designated agent of the owner [~~who is not represented by an agent~~
9 ~~designated under Section 1.111~~] shall be set for a time and date
10 certain. If the hearing is not commenced within two hours of the
11 time set for the hearing, the appraisal review board shall postpone
12 the hearing on the request of the property owner or the designated
13 agent of the owner.

14 (j) On the request of a property owner or the [~~a~~] designated
15 agent of the owner, an appraisal review board shall schedule
16 hearings on protests concerning up to 20 designated properties to
17 be held consecutively on the same day. The designated properties
18 must be identified in the same notice of protest, and the notice
19 must contain in boldfaced type the statement "request for same-day
20 protest hearings." A property owner or the designated agent of the
21 owner may [~~not~~] file more than one request under this subsection
22 with the appraisal review board in the same tax year. The appraisal
23 review board may schedule hearings on protests concerning more than
24 20 properties filed by the same property owner or the designated
25 agent of the owner and may use different panels to conduct the
26 hearings based on the board's customary scheduling. The appraisal
27 review board may follow the practices customarily used by the board

1 in the scheduling of hearings under this subsection.

2 (j-1) An appraisal review board may schedule the hearings on
3 all protests filed by a property owner or the designated agent of
4 the owner to be held consecutively. The notice of the hearings must
5 state the date and time that the first hearing will begin, state the
6 date the last hearing will end, and list the order in which the
7 hearings will be held. The order of the hearings listed in the
8 notice may not be changed without the agreement of the property
9 owner or the designated agent of the owner, the chief appraiser, and
10 the appraisal review board. The board may not reschedule a hearing
11 for which notice is given under this subsection to a date earlier
12 than the seventh day after the date the last hearing was scheduled
13 to end unless agreed to by the property owner or the designated
14 agent of the owner, the chief appraiser, and the appraisal review
15 board. Unless agreed to by the parties, the board must provide
16 written notice of the date and time of the rescheduled hearing to
17 the property owner or the designated agent of the owner not later
18 than the seventh day before the date of the hearing.

19 (k) This subsection does not apply to a special panel
20 established under Section 6.425. If an appraisal review board sits
21 in panels to conduct protest hearings, protests shall be randomly
22 assigned to panels, except that the board may consider the type of
23 property subject to the protest or the ground of the protest for the
24 purpose of using the expertise of a particular panel in hearing
25 protests regarding particular types of property or based on
26 particular grounds. If a protest is scheduled to be heard by a
27 particular panel, the protest may not be reassigned to another

1 panel without the consent of the property owner or the designated
2 agent of the owner. If the appraisal review board has cause to
3 reassign a protest to another panel, a property owner or the
4 designated agent of the owner may agree to reassignment of the
5 protest or may request that the hearing on the protest be postponed.
6 The board shall postpone the hearing on that request. A change of
7 members of a panel because of a conflict of interest, illness, or
8 inability to continue participating in hearings for the remainder
9 of the day does not constitute reassignment of a protest to another
10 panel.

11 (k-1) On the request of a property owner or the designated
12 agent of the owner, an appraisal review board to which Section 6.425
13 applies shall assign a protest relating to property described by
14 Section 6.425(b) to a special panel. In addition, the chairman of
15 the appraisal review board may assign a protest relating to
16 property not described by Section 6.425(b) to a special panel as
17 authorized by Section 6.425(f), but only if the assignment is
18 requested or consented to by the property owner or the designated
19 agent of the owner. Protests assigned to special panels shall be
20 randomly assigned to those panels. If a protest is scheduled to be
21 heard by a particular special panel, the protest may not be
22 reassigned to another special panel without the consent of the
23 property owner or the designated agent of the owner. If the board
24 has cause to reassign a protest to another special panel, a property
25 owner or the designated agent of the owner may agree to reassignment
26 of the protest or may request that the hearing on the protest be
27 postponed. The board shall postpone the hearing on that request. A

1 change of members of a special panel because of a conflict of
2 interest, illness, or inability to continue participating in
3 hearings for the remainder of the day does not constitute
4 reassignment of a protest to another special panel.

5 (p) At the end of a hearing on a protest, the appraisal
6 review board shall provide the property owner or the designated
7 agent of the owner one or more documents indicating that the members
8 of the board hearing the protest signed the affidavit required by
9 Subsection (g).

10 SECTION 52. Section 41.67(d), Tax Code, is amended to read
11 as follows:

12 (d) Information that was previously requested under Section
13 41.461 by the protesting party that was not delivered ~~made~~
14 ~~available~~ to the protesting party at least 14 days before the
15 scheduled or postponed hearing may not be used or offered in any
16 form as evidence in the hearing, including as a document or through
17 argument or testimony. This subsection does not apply to
18 information offered to rebut evidence or argument presented at the
19 hearing by the protesting party or that party's designated agent.

20 SECTION 53. Section 41.71, Tax Code, is amended to read as
21 follows:

22 Sec. 41.71. EVENING AND WEEKEND HEARINGS. (a) An
23 appraisal review board by rule shall provide for hearings on
24 protests ~~[in the evening or]~~ on a Saturday or after 5 p.m. on a
25 weekday ~~[Sunday]~~.

26 (b) The board may not schedule:

27 (1) the first hearing on a protest held on a weekday

1 evening to begin after 7 p.m.; or

2 (2) a hearing on a protest on a Sunday.

3 SECTION 54. Section 41A.06(b), Tax Code, is amended to read
4 as follows:

5 (b) To initially qualify to serve as an arbitrator under
6 this chapter, a person must:

7 (1) meet the following requirements, as applicable:

8 (A) be licensed as an attorney in this state; or

9 (B) have:

10 (i) completed at least 30 hours of training
11 in arbitration and alternative dispute resolution procedures from a
12 university, college, or legal or real estate trade association; and

13 (ii) been licensed or certified
14 continuously during the five years preceding the date the person
15 agrees to serve as an arbitrator as:

16 (a) a real estate broker or sales
17 agent under Chapter 1101, Occupations Code;

18 (b) a real estate appraiser under
19 Chapter 1103, Occupations Code; or

20 (c) a certified public accountant
21 under Chapter 901, Occupations Code; ~~and~~

22 (2) complete the courses for training and education of
23 appraisal review board members established under Sections 5.041(a)
24 and (e-1) and be issued a certificate for each course indicating
25 course completion;

26 (3) complete the training program on property tax law
27 for the training and education of arbitrators established under

1 Section 5.043; and

2 (4) agree to conduct an arbitration for a fee that is
3 not more than:

4 (A) \$400, if the property qualifies as the
5 owner's residence homestead under Section 11.13 and the appraised
6 or market value, as applicable, of the property is \$500,000 or less,
7 as determined by the order;

8 (B) \$450, if the property qualifies as the
9 owner's residence homestead under Section 11.13 and the appraised
10 or market value, as applicable, of the property is more than
11 \$500,000, as determined by the order;

12 (C) \$450, if the property does not qualify as the
13 owner's residence homestead under Section 11.13 and the appraised
14 or market value, as applicable, of the property is \$1 million or
15 less, as determined by the order;

16 (D) \$750, if the property does not qualify as the
17 owner's residence homestead under Section 11.13 and the appraised
18 or market value, as applicable, of the property is more than \$1
19 million but not more than \$2 million, as determined by the order;

20 (E) \$1,000, if the property does not qualify as
21 the owner's residence homestead under Section 11.13 and the
22 appraised or market value, as applicable, of the property is more
23 than \$2 million but not more than \$3 million, as determined by the
24 order; or

25 (F) \$1,500, if the property does not qualify as
26 the owner's residence homestead under Section 11.13 and the
27 appraised or market value, as applicable, of the property is more

1 than \$3 million but not more than \$5 million, as determined by the
2 order.

3 SECTION 55. Sections 41A.061(b) and (c), Tax Code, are
4 amended to read as follows:

5 (b) To renew the person's agreement to serve as an
6 arbitrator, the person must:

7 (1) file a renewal application with the comptroller at
8 the time and in the manner prescribed by the comptroller;

9 (2) continue to meet the requirements provided by
10 Sections 41A.06(b)(1) and (4) [~~Section 41A.06(b)~~]; and

11 (3) during the preceding two years have completed at
12 least eight hours of continuing education in arbitration and
13 alternative dispute resolution procedures offered by a university,
14 college, real estate trade association, or legal association.

15 (c) The comptroller shall remove a person from the registry
16 if:

17 (1) the person fails or declines to renew the person's
18 agreement to serve as an arbitrator in the manner required by this
19 section; [~~or~~]

20 (2) the comptroller determines by clear and convincing
21 evidence that there is good cause to remove the person from the
22 registry, including evidence of repeated bias or misconduct by the
23 person while acting as an arbitrator; or

24 (3) the person fails to complete a revised training
25 program on property tax law for the training and education of
26 arbitrators established under Section 5.043 not later than the
27 120th day after the date the program is available to be taken if the

1 comptroller:

2 (A) revises the program after the person is
3 included in the registry; and

4 (B) certifies that the program is substantially
5 revised.

6 SECTION 56. Section 41A.07, Tax Code, is amended by
7 amending Subsections (e), (f), and (g) and adding Subsection (h) to
8 read as follows:

9 (e) To be eligible for appointment as an arbitrator under
10 this section [~~Subsection (a)~~], the arbitrator must reside[+]

11 [~~(1) in the county in which the property that is the~~
12 ~~subject of the appeal is located; or~~

13 [~~(2)~~] in this state [~~if no available arbitrator on the~~
14 ~~registry resides in that county~~].

15 (f) A person is not eligible for appointment as an
16 arbitrator under this section [~~Subsection (a)~~] if at any time
17 during the preceding five years, the person has:

18 (1) represented a person for compensation in a
19 proceeding under this title in the appraisal district in which the
20 property that is the subject of the appeal is located;

21 (2) served as an officer or employee of that appraisal
22 district; or

23 (3) served as a member of the appraisal review board
24 for that appraisal district.

25 (g) The comptroller may not appoint an arbitrator under this
26 section [~~Subsection (a)~~] if the comptroller determines that there
27 is good cause not to appoint the arbitrator, including information

1 or evidence indicating repeated bias or misconduct by the person
2 while acting as an arbitrator.

3 (h) A property owner may request that, in appointing an
4 initial arbitrator under this section, the comptroller appoint an
5 arbitrator who resides in the county in which the property that is
6 the subject of the appeal is located or an arbitrator who resides
7 outside that county. In appointing an initial arbitrator under
8 Subsection (a), the comptroller shall comply with the request of
9 the property owner unless the property owner requests that the
10 comptroller appoint an arbitrator who resides in the county in
11 which the property that is the subject of the appeal is located and
12 there is not an available arbitrator who resides in that county. In
13 appointing a substitute arbitrator under Subsection (d), the
14 comptroller shall consider but is not required to comply with the
15 request of the property owner. This subsection does not authorize a
16 property owner to request the appointment of a specific individual
17 as an arbitrator.

18 SECTION 57. Section 41A.09(b), Tax Code, is amended to read
19 as follows:

20 (b) An award under this section:

21 (1) must include a determination of the appraised or
22 market value, as applicable, of the property that is the subject of
23 the appeal;

24 (2) may include any remedy or relief a court may order
25 under Chapter 42 in an appeal relating to the appraised or market
26 value of property;

27 (3) shall specify the arbitrator's fee, which may not

1 exceed the amount provided by Section 41A.06(b)(4) [~~41A.06(b)(2)~~];

2 (4) is final and may not be appealed except as
3 permitted under Section 171.088, Civil Practice and Remedies Code,
4 for an award subject to that section; and

5 (5) may be enforced in the manner provided by
6 Subchapter D, Chapter 171, Civil Practice and Remedies Code.

7 SECTION 58. Section 45.105(e), Education Code, is amended
8 to read as follows:

9 (e) The governing body of an independent school district
10 that governs a junior college district under Subchapter B, Chapter
11 130, in a county with a population of more than two million may
12 dedicate a specific percentage of the local tax levy to the use of
13 the junior college district for facilities and equipment or for the
14 maintenance and operating expenses of the junior college district.
15 To be effective, the dedication must be made by the governing body
16 on or before the date on which the governing body adopts its tax
17 rate for a year. The amount of local tax funds derived from the
18 percentage of the local tax levy dedicated to a junior college
19 district from a tax levy may not exceed the amount that would be
20 levied by five percent of the no-new-revenue [~~effective~~] tax rate
21 for the tax year calculated as provided by Section 26.04, Tax Code,
22 on all property taxable by the school district. All real property
23 purchased with these funds is the property of the school district,
24 but is subject to the exclusive control of the governing body of the
25 junior college district for as long as the junior college district
26 uses the property for educational purposes.

27 SECTION 59. Section 403.302, Government Code, is amended by

adding Subsections (k) and (k-1) and amending Subsection (o) to read as follows:

(k) If the comptroller determines in the study that the school district's local value as determined by the appraisal district that appraises property for the school district is not valid, the comptroller shall provide notice of the comptroller's determination to the board of directors of the appraisal district. The board of directors of the appraisal district shall hold a public meeting to discuss the receipt of notice under this subsection.

(k-1) If the comptroller determines in the study that the school district's local value as determined by the appraisal district that appraises property for the school district is not valid for three consecutive years, the comptroller shall conduct an additional review of the appraisal district under Section 5.102, Tax Code, and provide recommendations to the appraisal district. The comptroller may contract with a third party to assist the comptroller in conducting the additional review and providing the recommendations required under this subsection. If the appraisal district fails to comply with the recommendations provided under this subsection and the comptroller finds that the board of directors of the appraisal district failed to take remedial action reasonably designed to ensure substantial compliance with each recommendation before the first anniversary of the date the recommendations were made, the comptroller shall notify the Texas Department of Licensing and Regulation, or a successor to the department, which shall take action necessary to ensure that the recommendations are implemented as soon as practicable. Before

February 1 of the year following the year in which the Texas Department of Licensing and Regulation, or a successor to the department, takes action under this subsection, the department, with the assistance of the comptroller, shall determine whether the recommendations have been substantially implemented and notify the board of directors of the appraisal district of the determination. If the department determines that the recommendations have not been substantially implemented, the board of directors of the appraisal district must, within three months of the determination, consider whether the failure to implement the recommendations was under the current chief appraiser's control and whether the chief appraiser is able to adequately perform the chief appraiser's duties.

(o) The comptroller shall adopt rules governing the conduct of the study after consultation with the comptroller's property tax administration advisory board [~~Comptroller's Property Value Study Advisory Committee~~].

SECTION 60. Section 102.007(d), Local Government Code, is amended to read as follows:

(d) An adopted budget must contain a cover page that includes:

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:

(A) "This budget will raise more revenue from property taxes than last year's budget by an amount of (insert total dollar amount of increase), which is a (insert percentage increase) percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is

(insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(B) "This budget will raise less revenue from property taxes than last year's budget by an amount of (insert total dollar amount of decrease), which is a (insert percentage decrease) percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)."; or

(C) "This budget will raise the same amount of revenue from property taxes as last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(2) the record vote of each member of the governing body by name voting on the adoption of the budget;

(3) the municipal property tax rates for the preceding fiscal year, and each municipal property tax rate that has been adopted or calculated for the current fiscal year, including:

(A) the property tax rate;

(B) the no-new-revenue ~~[effective]~~ tax rate;

(C) the no-new-revenue ~~[effective]~~ maintenance and operations tax rate;

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of municipal debt obligations.

SECTION 61. Section [111.008](#)(d), Local Government Code, is

1 amended to read as follows:

2 (d) An adopted budget must contain a cover page that
3 includes:

4 (1) one of the following statements in 18-point or
5 larger type that accurately describes the adopted budget:

6 (A) "This budget will raise more revenue from
7 property taxes than last year's budget by an amount of (insert total
8 dollar amount of increase), which is a (insert percentage increase)
9 percent increase from last year's budget. The property tax revenue
10 to be raised from new property added to the tax roll this year is
11 (insert amount computed by multiplying the proposed tax rate by the
12 value of new property added to the roll).";

13 (B) "This budget will raise less revenue from
14 property taxes than last year's budget by an amount of (insert total
15 dollar amount of decrease), which is a (insert percentage decrease)
16 percent decrease from last year's budget. The property tax revenue
17 to be raised from new property added to the tax roll this year is
18 (insert amount computed by multiplying the proposed tax rate by the
19 value of new property added to the roll)."; or

20 (C) "This budget will raise the same amount of
21 revenue from property taxes as last year's budget. The property tax
22 revenue to be raised from new property added to the tax roll this
23 year is (insert amount computed by multiplying the proposed tax
24 rate by the value of new property added to the roll).";

25 (2) the record vote of each member of the
26 commissioners court by name voting on the adoption of the budget;

27 (3) the county property tax rates for the preceding

fiscal year, and each county property tax rate that has been adopted or calculated for the current fiscal year, including:

(A) the property tax rate;

(B) the no-new-revenue ~~[effective]~~ tax rate;

(C) the no-new-revenue ~~[effective]~~ maintenance and operations tax rate;

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of county debt obligations.

SECTION 62. Section 111.039(d), Local Government Code, is amended to read as follows:

(d) An adopted budget must contain a cover page that includes:

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:

(A) "This budget will raise more revenue from property taxes than last year's budget by an amount of (insert total dollar amount of increase), which is a (insert percentage increase) percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(B) "This budget will raise less revenue from property taxes than last year's budget by an amount of (insert total dollar amount of decrease), which is a (insert percentage decrease) percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is

(insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)."; or

(C) "This budget will raise the same amount of revenue from property taxes as last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(2) the record vote of each member of the commissioners court by name voting on the adoption of the budget;

(3) the county property tax rates for the preceding fiscal year, and each county property tax rate that has been adopted or calculated for the current fiscal year, including:

(A) the property tax rate;

(B) the no-new-revenue ~~[effective]~~ tax rate;

(C) the no-new-revenue ~~[effective]~~ maintenance and operations tax rate;

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of county debt obligations.

SECTION 63. Section [111.068](#)(c), Local Government Code, is amended to read as follows:

(c) An adopted budget must contain a cover page that includes:

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:

(A) "This budget will raise more revenue from property taxes than last year's budget by an amount of (insert total

dollar amount of increase), which is a (insert percentage increase) percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(B) "This budget will raise less revenue from property taxes than last year's budget by an amount of (insert total dollar amount of decrease), which is a (insert percentage decrease) percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)."; or

(C) "This budget will raise the same amount of revenue from property taxes as last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(2) the record vote of each member of the commissioners court by name voting on the adoption of the budget;

(3) the county property tax rates for the preceding fiscal year, and each county property tax rate that has been adopted or calculated for the current fiscal year, including:

(A) the property tax rate;

(B) the no-new-revenue [~~effective~~] tax rate;

(C) the no-new-revenue [~~effective~~] maintenance and operations tax rate;

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of county debt obligations.

SECTION 64. Section 1101.254(f), Special District Local Laws Code, is amended to read as follows:

(f) This section does not affect the applicability of ~~[any rights district voters may have to petition for an election under]~~ Section 26.07, Tax Code, to the district's tax rate, except that if district voters approve a tax rate increase under this section, ~~[the voters may not petition for an election under]~~ Section 26.07, Tax Code, does not apply ~~[as]~~ to the tax rate for that year.

SECTION 65. Sections 1122.2522 and 8876.152, Special District Local Laws Code, are amended to read as follows:

Sec. 1122.2522. ROLLBACK TAX RATE PROVISIONS APPLICABLE. ~~[(a)]~~ If in any year the board adopts a tax rate that exceeds the rollback tax rate calculated as provided by Chapter 26, Tax Code, ~~[the qualified voters of the district by petition may require that]~~ an election under Section 26.07 of that code must be held to determine whether or not to approve ~~[reduce]~~ the tax rate adopted by the board for that year ~~[to the rollback tax rate]~~.

~~[(b) To the extent a conflict exists between this section and a provision of the Tax Code, the provision of the Tax Code prevails.]~~

Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS.

(a) Sections 26.04, 26.05, 26.06, 26.061, and 26.07, Tax Code, do not apply to a tax imposed by the district.

(b) Sections 49.236(a)(1) and (2) and (b) [Section 49.236], Water Code, apply ~~[as added by Chapter 248 (H.B. 1541), Acts of the~~

~~78th Legislature, Regular Session, 2003, applies]~~ to the district.

SECTION 66. Section 49.107(g), Water Code, is amended to read as follows:

(g) Sections 26.04, 26.05, 26.061, and 26.07, Tax Code, do not apply to a tax levied and collected under this section or an ad valorem tax levied and collected for the payment of the interest on and principal of bonds issued by a district.

SECTION 67. Section 49.108(f), Water Code, is amended to read as follows:

(f) Sections 26.04, 26.05, 26.061, and 26.07, Tax Code, do not apply to a tax levied and collected for payments made under a contract approved in accordance with this section.

SECTION 68. Sections 49.236(a) and (d), Water Code, as added by Chapter 335 (S.B. 392), Acts of the 78th Legislature, Regular Session, 2003, are amended to read as follows:

(a) Before the board adopts an ad valorem tax rate for the district for debt service, operation and maintenance purposes, or contract purposes, the board shall give notice of each meeting of the board at which the adoption of a tax rate will be considered. The notice must:

(1) contain a statement in substantially the following form:

"NOTICE OF PUBLIC HEARING ON TAX RATE

"The (name of the district) will hold a public hearing on a proposed tax rate for the tax year (year of tax levy) on (date and time) at (meeting place). Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the tax rate

1 that is adopted and on the change in the taxable value of your
2 property in relation to the change in taxable value of all other
3 property [~~and the tax rate that is adopted~~]. The change in the
4 taxable value of your property in relation to the change in the
5 taxable value of all other property determines the distribution of
6 the tax burden among all property owners.

7 "(Names of all board members and, if a vote was taken, an
8 indication of how each voted on the proposed tax rate and an
9 indication of any absences.)";

10 (2) contain the following information:

11 (A) the district's total adopted tax rate for the
12 preceding year and the proposed tax rate, expressed as an amount per
13 \$100;

14 (B) the difference, expressed as an amount per
15 \$100 and as a percent increase or decrease, as applicable, in the
16 proposed tax rate compared to the adopted tax rate for the preceding
17 year;

18 (C) the average appraised value of a residence
19 homestead in the district in the preceding year and in the current
20 year; the district's total homestead exemption, other than an
21 exemption available only to disabled persons or persons 65 years of
22 age or older, applicable to that appraised value in each of those
23 years; and the average taxable value of a residence homestead in the
24 district in each of those years, disregarding any homestead
25 exemption available only to disabled persons or persons 65 years of
26 age or older;

27 (D) the amount of tax that would have been

1 imposed by the district in the preceding year on a residence
2 homestead appraised at the average appraised value of a residence
3 homestead in that year, disregarding any homestead exemption
4 available only to disabled persons or persons 65 years of age or
5 older;

6 (E) the amount of tax that would be imposed by the
7 district in the current year on a residence homestead appraised at
8 the average appraised value of a residence homestead in that year,
9 disregarding any homestead exemption available only to disabled
10 persons or persons 65 years of age or older, if the proposed tax
11 rate is adopted; ~~and~~

12 (F) the difference between the amounts of tax
13 calculated under Paragraphs (D) and (E), expressed in dollars and
14 cents and described as the annual percentage increase or decrease,
15 as applicable, in the tax to be imposed by the district on the
16 average residence homestead in the district in the current year if
17 the proposed tax rate is adopted; and

18 (G) if the proposed combined debt service,
19 operation and maintenance, and contract tax rate exceeds the
20 rollback tax rate, a description of the purpose of the proposed tax
21 increase; and

22 (3) contain a statement in substantially the following
23 form:

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

25 "If operation and maintenance taxes on the average residence
26 homestead increase by more than 2.5 ~~[eight]~~ percent, ~~[the qualified~~
27 ~~voters of the district by petition may require that]~~ an election

1 must be held to determine whether to approve [~~reduce~~] the operation
 2 and maintenance tax rate [~~to the rollback tax rate~~] under Section
 3 49.236(d), Water Code."

4 (d) If the governing body of a district adopts a combined
 5 debt service, operation and maintenance, and contract tax rate that
 6 exceeds the rollback tax rate, [~~would impose more than 1.08 times~~
 7 ~~the amount of tax imposed by the district in the preceding year on a~~
 8 ~~residence homestead appraised at the average appraised value of a~~
 9 ~~residence homestead in the district in that year, disregarding any~~
 10 ~~homestead exemption available only to disabled persons or persons~~
 11 ~~65 years of age or older, the qualified voters of the district by~~
 12 ~~petition may require that~~] an election must be held to determine
 13 whether [~~or not~~] to approve [~~reduce~~] the tax rate adopted for the
 14 current year [~~to the rollback tax rate~~] in accordance with the
 15 procedures provided by Sections 26.07(b)-(g) [~~and 26.081~~], Tax
 16 Code. For purposes of Sections 26.07(b)-(g), Tax Code, and this
 17 section [~~subsection~~], the rollback tax rate is the sum of the
 18 following tax rates:

- 19 (1) the current year's debt service tax rate;
- 20 (2) the current year's [~~and~~] contract tax rate;
- 21 (3) [~~rates plus~~] the operation and maintenance tax
 22 rate that would impose 1.025 [~~1.08~~] times the amount of the
 23 operation and maintenance tax imposed by the district in the
 24 preceding year on a residence homestead appraised at the average
 25 appraised value of a residence homestead in the district in that
 26 year, disregarding any homestead exemption available only to
 27 disabled persons or persons 65 years of age or older;

1 (4) the district's revenue enrichment rate, as defined
2 by Section 26.012, Tax Code; and

3 (5) the district's unused increment rate, as defined
4 by Section 26.012, Tax Code.

5 SECTION 69. The following provisions are repealed:

6 (1) Sections 403.302(m-1) and (n), Government Code;

7 (2) Section 140.010, Local Government Code;

8 (3) Section 1063.255, Special District Local Laws
9 Code;

10 (4) Sections 5.103(e) and (f), 6.412(e), 22.23(c), and
11 41A.06(c), Tax Code;

12 (5) Section 49.236, Water Code, as added by Chapter
13 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session,
14 2003; and

15 (6) Section 49.2361, Water Code.

16 SECTION 70. Section 5.041, Tax Code, as amended by this Act,
17 applies only to an appraisal review board member appointed to serve
18 a term of office that begins on or after January 1, 2020.

19 SECTION 71. The comptroller of public accounts shall
20 implement Section 5.043, Tax Code, as added by this Act, as soon as
21 practicable after January 1, 2020.

22 SECTION 72. Sections 5.05, 5.102, 5.13, and 23.01, Tax
23 Code, as amended by this Act, apply only to the appraisal of
24 property for ad valorem tax purposes for a tax year beginning on or
25 after January 1, 2020.

26 SECTION 73. (a) The comptroller of public accounts shall
27 comply with Sections 5.07(f), (g), (h), and (i), Tax Code, as added

1 by this Act, as soon as practicable after January 1, 2020.

2 (b) The comptroller of public accounts shall comply with
3 Section 5.091, Tax Code, as amended by this Act, not later than:

4 (1) January 1, 2022, with regard to tax rate
5 information related to a taxing unit located wholly or partly in a
6 county with a population of 120,000 or more; and

7 (2) January 1, 2023, with regard to tax rate
8 information related to a taxing unit located wholly in a county with
9 a population of less than 120,000.

10 SECTION 74. The comptroller of public accounts shall
11 prepare and make available the survey form and instructions for
12 completing and submitting the form required by Section 5.104, Tax
13 Code, as added by this Act, as soon as practicable after January 1,
14 2020. An appraisal district is not required to provide the survey
15 form or instructions under a requirement of that section until the
16 form and instructions are prepared and made available by the
17 comptroller of public accounts.

18 SECTION 75. Section 6.41(d-9), Tax Code, as amended by this
19 Act, applies only to the appointment of appraisal review board
20 members to terms beginning on or after January 1, 2021.

21 SECTION 76. Section 6.412, Tax Code, as amended by this Act,
22 does not affect the eligibility of a person serving on an appraisal
23 review board immediately before January 1, 2020, to continue to
24 serve on the board for the term to which the member was appointed.

25 SECTION 77. Section 6.42(d), Tax Code, as added by this Act,
26 applies only to a recommendation, determination, decision, or other
27 action by an appraisal review board or a panel of such a board on or

1 after January 1, 2020. A recommendation, determination, decision,
2 or other action by an appraisal review board or a panel of such a
3 board before January 1, 2020, is governed by the law as it existed
4 immediately before that date, and that law is continued in effect
5 for that purpose.

6 SECTION 78. Section 22.23(d), Tax Code, as amended by this
7 Act, applies only to ad valorem taxes imposed for a tax year
8 beginning on or after January 1, 2020.

9 SECTION 79. (a) An appraisal district established in a
10 county with a population of 120,000 or more and each taxing unit
11 located wholly or partly in such an appraisal district shall comply
12 with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18,
13 Tax Code, as added by this Act, beginning with the 2021 tax year.

14 (b) An appraisal district established in a county with a
15 population of less than 120,000 and each taxing unit located wholly
16 in such an appraisal district shall comply with Sections
17 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18, Tax Code, as
18 added by this Act, beginning with the 2022 tax year.

19 SECTION 80. (a) Not later than the 30th day after the date
20 this section takes effect:

21 (1) the designated officer or employee of each taxing
22 unit shall submit to the county assessor-collector for each county
23 in which all or part of the territory of the taxing unit is located
24 the worksheets used by the designated officer or employee to
25 calculate the effective and rollback tax rates of the taxing unit
26 for the 2015-2019 tax years; and

27 (2) the county assessor-collector for each county

1 shall post the worksheets submitted to the county
2 assessor-collector under Subdivision (1) of this subsection on the
3 Internet website of the county.

4 (b) This section takes effect immediately if this Act
5 receives a vote of two-thirds of all the members elected to each
6 house, as provided by Section 39, Article III, Texas Constitution.
7 If this Act does not receive the vote necessary for immediate
8 effect, this section takes effect on the 91st day after the last day
9 of the legislative session.

10 SECTION 81. A taxing unit that does not own, operate, or
11 control an Internet website is not required to comply with Sections
12 26.05(b)(2) and 26.065(b), Tax Code, as amended by this Act, until
13 the first tax year in which the taxing unit is required by law to
14 maintain or have access to an Internet website.

15 SECTION 82. Section 41.03(a), Tax Code, as amended by this
16 Act, applies only to a challenge under Chapter 41, Tax Code, for
17 which a challenge petition is filed on or after January 1, 2020. A
18 challenge under Chapter 41, Tax Code, for which a challenge
19 petition was filed before January 1, 2020, is governed by the law in
20 effect on the date the challenge petition was filed, and the former
21 law is continued in effect for that purpose.

22 SECTION 83. Sections 41.45 and 41.66(k), Tax Code, as
23 amended by this Act, and Section 41.66(k-1), Tax Code, as added by
24 this Act, apply only to a protest filed under Chapter 41, Tax Code,
25 on or after January 1, 2021. A protest filed under that chapter
26 before January 1, 2021, is governed by the law in effect on the date
27 the protest was filed, and the former law is continued in effect for

1 that purpose.

2 SECTION 84. Sections 41.46, 41.461, 41.47, 41.66(h), (i),
3 and (j), and 41.67, Tax Code, as amended by this Act, and Sections
4 41.66(j-1) and (p), Tax Code, as added by this Act, apply only to a
5 protest for which the notice of protest was filed by a property
6 owner or the designated agent of the owner with the appraisal review
7 board established for an appraisal district on or after January 1,
8 2020.

9 SECTION 85. Section 41.71, Tax Code, as amended by this Act,
10 applies only to a hearing on a protest under Chapter 41, Tax Code,
11 that is scheduled on or after January 1, 2020. A hearing on a
12 protest under Chapter 41, Tax Code, that is scheduled before
13 January 1, 2020, is governed by the law in effect on the date the
14 hearing was scheduled, and that law is continued in effect for that
15 purpose.

16 SECTION 86. Section 41A.07, Tax Code, as amended by this
17 Act, applies only to a request for binding arbitration received by
18 the comptroller of public accounts from an appraisal district on or
19 after January 1, 2020.

20 SECTION 87. (a) A person who immediately before January 1,
21 2020, serves as an arbitrator in binding arbitrations of appeals of
22 appraisal review board orders must meet the requirements of Section
23 41A.06(b)(3), Tax Code, as added by this Act, not later than the
24 120th day after the date the comptroller of public accounts begins
25 to provide the training required under Section 5.043, Tax Code, as
26 added by this Act.

27 (b) This Act does not prohibit a person who is serving as an

1 arbitrator on January 1, 2020, from renewing the person's agreement
2 with the comptroller of public accounts to serve as an arbitrator if
3 the person has the qualifications required for an arbitrator under
4 the Tax Code as amended by this Act.

5 SECTION 88. (a) Not later than the 30th day after the date
6 this section takes effect, the comptroller of public accounts shall
7 provide a written notice to each appraisal district of:

8 (1) the deadline for complying with each new
9 requirement, duty, or function imposed by this Act on an appraisal
10 district or taxing unit; and

11 (2) any change made by this Act to the deadline for
12 complying with an existing requirement, duty, or function of an
13 appraisal district or taxing unit.

14 (b) As soon as practicable after receipt of the notice
15 provided by the comptroller of public accounts under Subsection (a)
16 of this section, the chief appraiser of an appraisal district shall
17 forward the notice to each assessor for a taxing unit located in the
18 appraisal district.

19 (c) This section takes effect immediately if this Act
20 receives a vote of two-thirds of all the members elected to each
21 house, as provided by Section 39, Article III, Texas Constitution.
22 If this Act does not receive the vote necessary for immediate
23 effect, this section takes effect on the 91st day after the last day
24 of the legislative session.

25 SECTION 89. (a) Except as otherwise provided by this Act,
26 this Act takes effect January 1, 2020.

27 (b) The following provisions take effect September 1, 2020:

1 (1) Sections 6.41(b) and (d-9), Tax Code, as amended
2 by this Act;

3 (2) Sections 6.41(b-1), (b-2), and (d-10), Tax Code,
4 as added by this Act;

5 (3) Section 6.414(d), Tax Code, as amended by this
6 Act;

7 (4) Section 6.425, Tax Code, as added by this Act;

8 (5) Section 41.44(d), Tax Code, as amended by this
9 Act;

10 (6) Section 41.45(d), Tax Code, as amended by this
11 Act;

12 (7) Sections 41.45(d-1), (d-2), and (d-3), Tax Code,
13 as added by this Act;

14 (8) Section 41.66(k), Tax Code, as amended by this
15 Act; and

16 (9) Section 41.66(k-1), Tax Code, as added by this
17 Act.

18 (c) The following provisions take effect January 1, 2021:

19 (1) Sections 25.19(b-3) and (b-4), Tax Code, as added
20 by this Act;

21 (2) Sections 26.04(d-1), (d-2), (d-3), (e-2), (e-3),
22 (e-4), and (e-5), Tax Code, as added by this Act;

23 (3) Sections 26.04(e-1) and (g), Tax Code, as amended
24 by this Act;

25 (4) Sections 26.05(d-1) and (d-2), Tax Code, as added
26 by this Act; and

27 (5) Section 26.05(e), Tax Code, as amended by this

1 Act.

2 (d) Sections [25.19](#)(b) and (i), Tax Code, as amended by this
3 Act, take effect January 1, 2022.