

By: Bettencourt, et al.
(Burrows, et al.)

S.B. No. 2

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

By: Murphy

C.S.S.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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 (2) the appraisal of business personal property;

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

26 (4) the duties of an appraisal review board;

27 (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. If the training is provided to a person other than a
5 person who has agreed to serve as an arbitrator under Chapter 41A,
6 the comptroller may assess a fee not to exceed \$50 for each person
7 trained.

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

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

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

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

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

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

1 (2) school district to:

2 (A) calculate and submit the no-new-revenue tax
3 rate and the rollback tax rate for the district as required by
4 Chapter 26; and

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

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

11 (1) have blanks that can be filled in electronically;

12 (2) be capable of being certified by the designated
13 officer or employee after completion as accurately calculating the
14 applicable tax rates and using values that are the same as the
15 values shown in, as applicable:

16 (A) the taxing unit's certified appraisal roll;

17 or

18 (B) the certified estimate of taxable value of
19 property in the taxing unit prepared under Section 26.01(a-1); and

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

25 (h) For purposes of Subsections (f) and (g), the comptroller
26 shall use the forms published on the comptroller's Internet website
27 as of January 1, 2019, modified as necessary to comply with the

1 requirements of this section. The comptroller shall update the
2 forms as necessary to reflect formatting or other nonsubstantive
3 changes.

4 (i) The comptroller may revise the forms to reflect
5 substantive changes other than those described by Subsection (h) or
6 on receipt of a request in writing. A revision under this
7 subsection must be approved by the agreement of a majority of the
8 members of a committee selected by the comptroller who are present
9 at a committee meeting at which a quorum is present. The members of
10 the committee must represent, equally, taxpayers, taxing units or
11 persons designated by taxing units, and assessors. In the case of a
12 revision for which the comptroller receives a request in writing,
13 the person requesting the revision shall pay the costs of mediation
14 if the comptroller determines that mediation is required.

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

17 SECTION 8. Section 5.09, Tax Code, is amended by amending
18 Subsection (a) and adding Subsection (a-1) to read as follows:

19 (a) The comptroller shall prepare a biennial report of the
20 total appraised values and taxable values of taxable property by
21 category and the tax rates of each county, municipality, special
22 district, and school district in effect for the two years preceding
23 the year in which the report is prepared.

24 (a-1) The comptroller shall:

25 (1) prescribe the format by which an appraisal
26 district or taxing unit must submit information under this section
27 to the comptroller;

1 (2) collect and review in detail the information
2 submitted that relates to each county, municipality, and school
3 district; and

4 (3) collect and review the information submitted that
5 relates to each special district.

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

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

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

17 (2) list the tax rates alphabetically according to:

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

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

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

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

27 (a) At least once every two years, the comptroller shall

1 review the governance of each appraisal district, the taxpayer
2 assistance provided by each appraisal district, and the operating
3 and appraisal standards, procedures, and methodology used by each
4 appraisal district, to determine compliance with generally
5 accepted standards, procedures, and methodology, including
6 compliance with standards, procedures, and methodology prescribed
7 by any appraisal manuals required by law to be prepared and issued
8 by the comptroller. After consultation with the property tax
9 administration advisory board [~~committee created under Section~~
10 ~~403.302, Government Code~~], the comptroller by rule may establish
11 procedures and standards for conducting and scoring the review.

12 (c) At the conclusion of the review, the comptroller shall,
13 in writing, notify the appraisal district concerning its
14 performance in the review. If the review results in a finding that
15 an appraisal district is not in compliance with generally accepted
16 standards, procedures, and methodology, including compliance with
17 standards, procedures, and methodology prescribed by any appraisal
18 manuals required by law to be prepared and issued by the
19 comptroller, the comptroller shall deliver a report that details
20 the comptroller's findings and recommendations for improvement to:

21 (1) the appraisal district's chief appraiser and board
22 of directors; and

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

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

27 Sec. 5.104. APPRAISAL REVIEW BOARD SURVEY; REPORT. (a) The

1 comptroller shall:

2 (1) prepare an appraisal review board survey that
3 allows an individual described by Subsection (b) to submit comments
4 and suggestions to the comptroller regarding an appraisal review
5 board;

6 (2) prepare instructions for completing and
7 submitting the survey; and

8 (3) implement and maintain a method that allows an
9 individual described by Subsection (b) to electronically complete
10 and submit the survey through a uniform resource locator (URL)
11 address.

12 (b) The following individuals who attend a hearing in person
13 or by telephone conference call on a motion filed under Section
14 25.25 to correct the appraisal roll or a protest under Chapter 41
15 may complete and submit a survey under this section:

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

18 (2) the designated agent of the owner; or

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

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

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

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

26 (d) An appraisal district must provide to each property
27 owner or designated agent of the owner who is authorized to submit a

1 survey under this section a notice that states that the owner or
2 agent:

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

4 (2) may submit the survey to the comptroller:

5 (A) in person;

6 (B) by mail;

7 (C) by electronic mail; or

8 (D) through the uniform resource locator (URL)

9 address described by Subsection (a)(3); and

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

12 (e) The notice described by Subsection (d) must include the
13 uniform resource locator (URL) address described by Subsection
14 (a)(3).

15 (f) An appraisal district must provide the notice described
16 by Subsection (d) to a property owner or the designated agent of the
17 owner:

18 (1) at or before the first hearing on the motion or
19 protest described by Subsection (b) by the appraisal review board
20 established for the appraisal district or by a panel of the board;
21 and

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

25 (g) At or before the first hearing on the motion or protest
26 described by Subsection (b) by the appraisal review board
27 established for the appraisal district or by a panel of the board,

1 the board or panel must provide verbal notice to the property owner
2 or designated agent of the owner of the owner or agent's right to
3 complete and submit the survey.

4 (h) Notwithstanding Subsections (d), (f), and (g), if an
5 appraisal district provides the notice described by Subsection (d),
6 or an appraisal review board provides the verbal notice required by
7 Subsection (g), to a property owner or the designated agent of the
8 owner at or before a hearing on a motion or protest described by
9 Subsection (b), the appraisal district or board, as applicable, is
10 not required to provide another notice in the same manner to the
11 owner or agent at or before another hearing on a motion or protest
12 held on the same day.

13 (i) An individual who elects to submit the survey must
14 submit the survey to the comptroller as provided by this section. An
15 individual may submit only one survey for each hearing.

16 (j) The comptroller shall allow an individual to submit a
17 survey to the comptroller in the following manner:

18 (1) in person;

19 (2) by mail;

20 (3) by electronic mail; or

21 (4) through the uniform resource locator (URL) address
22 described by Subsection (a)(3).

23 (k) An appraisal district may not require a property owner
24 or the designated agent of the owner to complete a survey at the
25 appraisal office.

26 (l) The comptroller shall issue an annual report that
27 summarizes the information included in the surveys submitted during

1 the preceding tax year. The report may not disclose the identity of
2 an individual who submitted a survey.

3 (m) The comptroller may adopt rules necessary to implement
4 this section.

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

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

9 (1) the extent to which the district complies with
10 applicable law or generally accepted standards of appraisal or
11 other relevant practice, including appraisal standards and
12 practices prescribed by any appraisal manuals required by law to be
13 prepared and issued by the comptroller;

14 (2) the uniformity and level of appraisal of major
15 kinds of property and the cause of any significant deviations from
16 ideal uniformity and equality of appraisal of major kinds of
17 property;

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

19 (4) the general efficiency, quality of service, and
20 qualification of appraisal district personnel; and

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

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

26 (a-1) An individual is ineligible to serve on an appraisal
27 district board of directors if the individual has engaged in the

1 business of appraising property for compensation for use in
2 proceedings under this title or of representing property owners for
3 compensation in proceedings under this title in the appraisal
4 district at any time during the preceding three [~~five~~] years.

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

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

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

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

17 (b-1) An appraisal [~~However, the~~] district board of
18 directors by resolution of a majority of the board's [~~its~~] members
19 may increase the size of the district's appraisal review board to
20 the number of members the board of directors considers appropriate.

21 (b-2) An appraisal district board of directors for a
22 district established in a county with a population of one million or
23 more by resolution of a majority of the board's members shall
24 increase the size of the district's appraisal review board to the
25 number of members the board of directors considers appropriate to
26 manage the duties of the appraisal review board, including the
27 duties of each special panel established under Section 6.425.

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

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

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

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

16 (1) is related within the second degree by
17 consanguinity or affinity, as determined under Chapter 573,
18 Government Code, to an individual who is engaged in the business of
19 appraising property for compensation for use in proceedings under
20 this title or of representing property owners for compensation in
21 proceedings under this title in the appraisal district for which
22 the appraisal review board is established;

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

26 (A) the delinquent taxes and any penalties and
27 interest are being paid under an installment payment agreement

1 under Section 33.02; or

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

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

7 (A) the appraisal district's board of directors;
8 or

9 (B) the appraisal review board.

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

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

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

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

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

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

1 (d) An auxiliary board member may hear taxpayer protests
2 before the appraisal review board. An auxiliary board member may
3 not hear taxpayer protests before a special panel established under
4 Section 6.425 unless the member is eligible to be appointed to the
5 special panel. If one or more auxiliary board members sit on a
6 panel established under Section 6.425 or 41.45 to conduct a protest
7 hearing, the number of regular appraisal review board members
8 required by that section to constitute the panel is reduced by the
9 number of auxiliary board members sitting. An auxiliary board
10 member sitting on a panel is considered a regular board member for
11 all purposes related to the conduct of the hearing.

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

14 (a) A majority of the appraisal review board constitutes a
15 quorum. The local administrative district judge under Subchapter
16 D, Chapter 74, Government Code, in the county in which [board of
17 directors of] the appraisal district is established [by resolution]
18 shall select a chairman and a secretary from among the members of
19 the appraisal review board. The judge [board of directors of the
20 appraisal district] is encouraged to select as chairman [of the
21 appraisal review board] a member of the appraisal review board, if
22 any, who has a background in law and property appraisal.

23 (d) The concurrence of a majority of the members of the
24 appraisal review board present at a meeting of the board is
25 sufficient for a recommendation, determination, decision, or other
26 action by the board. The concurrence of a majority of the members
27 of a panel of the board present at a meeting of the panel is

1 sufficient for a recommendation by the panel. The concurrence of
2 more than a majority of the members of the board or panel may not be
3 required.

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

6 Sec. 6.425. SPECIAL APPRAISAL REVIEW BOARD PANELS IN
7 CERTAIN DISTRICTS. (a) This section applies only to the appraisal
8 review board for an appraisal district described by Section
9 6.41(b-2).

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

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

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

17 (A) commercial real and personal property;

18 (B) real and personal property of utilities;

19 (C) industrial and manufacturing real and
20 personal property; and

21 (D) multifamily residential real property.

22 (c) Each special panel described by this section consists of
23 three members of the appraisal review board appointed by the
24 chairman of the board.

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

- 1 (1) hold a juris doctor or equivalent degree;
- 2 (2) hold a master of business administration degree;
- 3 (3) be licensed as a certified public accountant under
4 Chapter 901, Occupations Code;
- 5 (4) be accredited by the American Society of
6 Appraisers as an accredited senior appraiser;
- 7 (5) possess an MAI professional designation from the
8 Appraisal Institute;
- 9 (6) possess a Certified Assessment Evaluator (CAE)
10 professional designation from the International Association of
11 Assessing Officers;
- 12 (7) have at least 10 years of experience in property
13 tax appraisal or consulting; or
- 14 (8) be licensed as a real estate broker or sales agent
15 under Chapter 1101, Occupations Code.

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

- 20 (1) the number of persons appointed to the board by the
21 local administrative district judge who meet those qualifications
22 is not sufficient to fill the positions on each special panel; and
- 23 (2) the board member being appointed to the panel
24 holds a bachelor's degree in any field.

25 (f) In addition to conducting protest hearings relating to
26 property described by Subsection (b) of this section, a special
27 panel may conduct protest hearings under Chapter 41 relating to

1 property not described by Subsection (b) of this section as
2 assigned by the chairman of the appraisal review board.

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

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

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

17 (b) The market value of property shall be determined by the
18 application of generally accepted appraisal methods and
19 techniques, including appraisal methods and techniques prescribed
20 by any appraisal manuals required by law to be prepared and issued
21 by the comptroller. If the appraisal district determines the
22 appraised value of a property using mass appraisal standards, the
23 mass appraisal standards must comply with the Uniform Standards of
24 Professional Appraisal Practice. The same or similar appraisal
25 methods and techniques shall be used in appraising the same or
26 similar kinds of property. However, each property shall be
27 appraised based upon the individual characteristics that affect the

1 property's market value, and all available evidence that is
2 specific to the value of the property shall be taken into account in
3 determining the property's market value.

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

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

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

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

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

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

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

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

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

27 (2) the appraised value of the property in the

1 preceding year;

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

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

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

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

19 (6) ~~(7)~~ a detailed explanation of the time and
20 procedure for protesting the value;

21 (7) ~~(8)~~ the date and place the appraisal review
22 board will begin hearing protests; and

23 (8) ~~(9)~~ a brief explanation that the governing body
24 of each taxing unit decides whether or not taxes on the property
25 will increase and the appraisal district only determines the value
26 of the property.

27 (b-3) This subsection applies only to an appraisal district

1 described by Section 6.41(b-2). In addition to the information
2 required by Subsection (b), the chief appraiser shall state in a
3 notice of appraised value of property described by Section 6.425(b)
4 that the property owner has the right to have a protest relating to
5 the property heard by a special panel of the appraisal review board.

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

10 (i) Delivery with a notice required by Subsection (a) or (g)
11 of a copy of the pamphlet published by the comptroller under Section
12 5.06 or a copy of the notice published by the chief appraiser under
13 Section 41.70 is sufficient to comply with the requirement that the
14 notice include the information specified by Subsection (b)(6)
15 [~~(b)(7)~~] or (g)(3), as applicable.

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

18 (a-1) If by July 20 the appraisal review board for an
19 appraisal district has not approved the appraisal records for the
20 district as required under Section 41.12, the chief appraiser shall
21 not later than July 25 prepare and certify to the assessor for each
22 taxing unit participating in the district an estimate of the
23 taxable value of property in that taxing unit.

24 SECTION 24. Section 26.012, Tax Code, is amended by adding
25 Subdivisions (8-a), (8-b), (10-a), and (19) and amending
26 Subdivision (10) to read as follows:

27 (8-a) "De minimis amount" means the amount for the

1 current tax year published by the comptroller under Section
2 26.04(b-1).

3 (8-b) "De minimis rate" means the rate equal to the sum
4 of:

5 (A) a taxing unit's no-new-revenue maintenance
6 and operations rate;

7 (B) the rate that, when applied to a taxing
8 unit's current total value, will impose an amount of taxes equal to
9 the de minimis amount; and

10 (C) a taxing unit's current debt rate.

11 (10) "Excess collections" means the amount, if any, by
12 which debt taxes collected in the preceding year exceeded the
13 amount anticipated in the preceding year's calculation of the
14 rollback tax rate, as certified by the collector under Section
15 26.04(b) [~~of this code~~].

16 (10-a) "Inflation rate" means the amount, expressed in
17 decimal form rounded to the nearest thousandth, computed by
18 determining the percentage change in the consumer price index for
19 the preceding calendar year as compared to the consumer price index
20 for the calendar year preceding that calendar year.

21 (19) "Special taxing unit" means:

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

25 (B) a junior college district; or

26 (C) a hospital district.

27 SECTION 25. Section 26.012(9), Tax Code, is redesignated as

1 Section 26.012(18), Tax Code, and amended to read as follows:

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

5 NO-NEW-REVENUE [EFFECTIVE] MAINTENANCE AND OPERATIONS
6 RATE = (LAST YEAR'S LEVY - LAST YEAR'S DEBT LEVY - LAST
7 YEAR'S JUNIOR COLLEGE LEVY) / (CURRENT TOTAL VALUE -
8 NEW PROPERTY VALUE)

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

11 Sec. 26.013. UNUSED INCREMENT RATE. (a) In this section:

12 (1) "Actual tax rate" means a taxing unit's actual tax
13 rate used to levy taxes in the applicable preceding tax year.

14 (2) "Rollback tax rate" means a taxing unit's rollback
15 tax rate in the applicable preceding tax year less the unused
16 increment rate for that preceding tax year.

17 (3) "Year 1" means the fifth tax year preceding the
18 current tax year.

19 (4) "Year 2" means the fourth tax year preceding the
20 current tax year.

21 (5) "Year 3" means the third tax year preceding the
22 current tax year.

23 (6) "Year 4" means the second tax year preceding the
24 current tax year.

25 (7) "Year 5" means the tax year preceding the current
26 tax year.

27 (b) In this chapter, "unused increment rate" means the

1 greater of:

2 (1) zero; or

3 (2) the rate expressed in dollars per \$100 of taxable
4 value calculated according to the following formula:

5 UNUSED INCREMENT RATE = (YEAR 1 ROLLBACK TAX RATE -
6 YEAR 1 ACTUAL TAX RATE) + (YEAR 2 ROLLBACK TAX RATE -
7 YEAR 2 ACTUAL TAX RATE) + (YEAR 3 ROLLBACK TAX RATE -
8 YEAR 3 ACTUAL TAX RATE) + (YEAR 4 ROLLBACK TAX RATE -
9 YEAR 4 ACTUAL TAX RATE) + (YEAR 5 ROLLBACK TAX RATE -
10 YEAR 5 ACTUAL TAX RATE)

11 (c) Notwithstanding Subsection (b)(2), for each tax year
12 before the 2020 tax year, the difference between the taxing unit's
13 rollback tax rate and actual tax rate is considered to be zero. This
14 subsection expires December 31, 2024.

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

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

19 SECTION 28. Section 26.04, Tax Code, is amended by amending
20 Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and (j) and
21 adding Subsections (b-1), (c-1), (c-2), (d-1), (d-2), (d-3), (e-2),
22 (e-3), (e-4), (e-5), (h-1), and (h-2) to read as follows:

23 (b) The assessor shall submit the appraisal roll for the
24 taxing unit showing the total appraised, assessed, and taxable
25 values of all property and the total taxable value of new property
26 to the governing body of the taxing unit by August 1 or as soon
27 thereafter as practicable. By August 1 or as soon thereafter as

1 practicable, the taxing unit's collector shall certify [~~an estimate~~
 2 ~~of~~] the anticipated collection rate as calculated under Subsections
 3 (h), (h-1), and (h-2) for the current year to the governing body.
 4 If the collector certified an anticipated collection rate in the
 5 preceding year and the actual collection rate in that year exceeded
 6 the anticipated rate, the collector shall also certify the amount
 7 of debt taxes collected in excess of the anticipated amount in the
 8 preceding year.

9 (b-1) By August 1 or as soon thereafter as practicable, the
 10 comptroller shall determine the de minimis amount for the current
 11 tax year and publish that amount in the Texas Register. The de
 12 minimis amount for the 2020 tax year is \$500,000. For each
 13 succeeding tax year, the de minimis amount is equal to the de
 14 minimis amount for the preceding tax year as adjusted by the
 15 comptroller to reflect the inflation rate.

16 (c) After the assessor for the taxing unit submits the
 17 appraisal roll for the taxing unit to the governing body of the
 18 taxing unit as required by Subsection (b) and the comptroller
 19 publishes the de minimis amount for the current tax year as required
 20 by Subsection (b-1), an [An] officer or employee designated by the
 21 governing body shall calculate the no-new-revenue [~~effective~~] tax
 22 rate and the rollback tax rate for the taxing unit, where:

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

26 NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE = (LAST YEAR'S
 27 LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE -

1 NEW PROPERTY VALUE)

2 ; and

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

6 (A) for a special taxing unit:

7 ROLLBACK TAX RATE = (NO-NEW-REVENUE [~~EFFECTIVE~~]
8 MAINTENANCE AND OPERATIONS RATE x 1.08) + CURRENT DEBT
9 RATE

10 ; or

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

13 ROLLBACK TAX RATE = (NO-NEW-REVENUE MAINTENANCE AND
14 OPERATIONS RATE x 1.035) + (CURRENT DEBT RATE + UNUSED
15 INCREMENT RATE)

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

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

1 unit to the governing body exceeds the total taxable value of
2 property taxable by the taxing unit on January 1 of the tax year in
3 which the disaster occurred; or

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

6 (c-2) Notwithstanding any other provision of this section,
7 if the assessor for a taxing unit receives a certified estimate of
8 the taxable value of property in the taxing unit under Section
9 26.01(a-1), the officer or employee designated by the governing
10 body of the taxing unit shall calculate the no-new-revenue tax rate
11 and rollback tax rate using the certified estimate of taxable
12 value.

13 (d) The no-new-revenue ~~[effective]~~ tax rate for a county is
14 the sum of the no-new-revenue ~~[effective]~~ tax rates calculated for
15 each type of tax the county levies and the rollback tax rate for a
16 county is the sum of the rollback tax rates calculated for each type
17 of tax the county levies.

18 (d-1) The designated officer or employee shall use the tax
19 rate calculation forms prescribed by the comptroller under Section
20 5.07 in calculating the no-new-revenue tax rate and the rollback
21 tax rate.

22 (d-2) The designated officer or employee may not submit the
23 no-new-revenue tax rate and the rollback tax rate to the governing
24 body of the taxing unit and the taxing unit may not adopt a tax rate
25 until the designated officer or employee certifies on the tax rate
26 calculation forms that the designated officer or employee has
27 accurately calculated the tax rates and has used values that are the

1 same as the values shown in the taxing unit's certified appraisal
2 roll in performing the calculations.

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

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

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

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

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

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

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

22 [~~(2) the estimated amount of interest and sinking fund~~
23 ~~balances and the estimated amount of maintenance and operation or~~
24 ~~general fund balances remaining at the end of the current fiscal~~
25 ~~year that are not encumbered with or by corresponding existing debt~~
26 ~~obligation,~~

27 [~~(3)~~] a schedule of the taxing unit's debt obligations

1 showing:

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

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

15 (C) the total of the amounts listed in Paragraphs
16 (A)-(B), less any amount collected in excess of the previous year's
17 anticipated collections certified as provided in Subsection (b) [→

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

20 ~~[(5) a statement that the adoption of a tax rate equal~~
21 ~~to the effective tax rate would result in an increase or decrease,~~
22 ~~as applicable, in the amount of taxes imposed by the unit as~~
23 ~~compared to last year's levy, and the amount of the increase or~~
24 ~~decrease,~~

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

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

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

8 ~~[(C) the name of the unit that operates a~~
9 ~~distinct department, function, or activity in all or a majority of~~
10 ~~the territory of a taxing unit that has discontinued operating the~~
11 ~~distinct department, function, or activity; and~~

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

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

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

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

25 (e-2) By August 7 or as soon thereafter as practicable, the
26 chief appraiser of each appraisal district shall deliver by regular
27 mail or e-mail to each owner of property located in the appraisal

1 district a notice that the estimated amount of taxes to be imposed
2 on the owner's property by each taxing unit in which the property is
3 located may be found in the property tax database maintained by the
4 appraisal district under Section 26.17. The notice must include:

5 (1) a statement directing the property owner to an
6 Internet website from which the owner may access information
7 related to the actions taken or proposed to be taken by each taxing
8 unit in which the property is located that may affect the taxes
9 imposed on the owner's property;

10 (2) a statement that the property owner may request
11 from the county assessor-collector for the county in which the
12 property is located or, if the county assessor-collector does not
13 assess taxes for the county, the person who assesses taxes for the
14 county under Section 6.24(b), contact information for the assessor
15 for each taxing unit in which the property is located, who must
16 provide the information described by this subsection to the owner
17 on request; and

18 (3) the name, address, and telephone number of the
19 county assessor-collector for the county in which the property is
20 located or, if the county assessor-collector does not assess taxes
21 for the county, the person who assesses taxes for the county under
22 Section 6.24(b).

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

26 (e-4) The comptroller:

27 (1) with the advice of the property tax administration

1 advisory board, shall adopt rules prescribing the form of the
2 notice required by Subsection (e-2); and

3 (2) may adopt rules regarding the format and delivery
4 of the notice.

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

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

16 (g) A person who owns taxable property is entitled to an
17 injunction prohibiting the taxing unit in which the property is
18 taxable from adopting a tax rate if the assessor or designated
19 officer or employee of the taxing unit, the chief appraiser of the
20 applicable appraisal district, or the taxing unit, as applicable,
21 has not complied with the computation, ~~[or]~~ publication, or posting
22 requirements of this section or Section 26.16, 26.17, or 26.18 ~~[and~~
23 ~~the failure to comply was not in good faith]~~. It is a defense in an
24 action for an injunction under this subsection that the failure to
25 comply was in good faith.

26 (h-1) Notwithstanding Subsection (h), if the anticipated
27 collection rate of a taxing unit as calculated under that

1 subsection is lower than the lowest actual collection rate of the
2 taxing unit for any of the preceding three years, the anticipated
3 collection rate of the taxing unit for purposes of this section is
4 equal to the lowest actual collection rate of the taxing unit for
5 any of the preceding three years.

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

10 (i) This subsection applies to a taxing unit that has agreed
11 by written contract to transfer a distinct department, function, or
12 activity to another taxing unit and discontinues operating that
13 distinct department, function, or activity if the operation of that
14 department, function, or activity in all or a majority of the
15 territory of the taxing unit is continued by another existing
16 taxing unit or by a new taxing unit. The rollback tax rate of a
17 taxing unit to which this subsection applies in the first tax year
18 in which a budget is adopted that does not allocate revenue to the
19 discontinued department, function, or activity is calculated as
20 otherwise provided by this section, except that last year's levy
21 used to calculate the no-new-revenue [~~effective~~] maintenance and
22 operations rate of the taxing unit is reduced by the amount of
23 maintenance and operations tax revenue spent by the taxing unit to
24 operate the department, function, or activity for the 12 months
25 preceding the month in which the calculations required by this
26 chapter are made and in which the taxing unit operated the
27 discontinued department, function, or activity. If the taxing unit

1 did not operate that department, function, or activity for the full
2 12 months preceding the month in which the calculations required by
3 this chapter are made, the taxing unit shall reduce last year's levy
4 used for calculating the no-new-revenue [~~effective~~] maintenance
5 and operations rate of the taxing unit by the amount of the revenue
6 spent in the last full fiscal year in which the taxing unit operated
7 the discontinued department, function, or activity.

8 (j) This subsection applies to a taxing unit that had agreed
9 by written contract to accept the transfer of a distinct
10 department, function, or activity from another taxing unit and
11 operates a distinct department, function, or activity if the
12 operation of a substantially similar department, function, or
13 activity in all or a majority of the territory of the taxing unit
14 has been discontinued by another taxing unit, including a dissolved
15 taxing unit. The rollback tax rate of a taxing unit to which this
16 subsection applies in the first tax year after the other taxing unit
17 discontinued the substantially similar department, function, or
18 activity in which a budget is adopted that allocates revenue to the
19 department, function, or activity is calculated as otherwise
20 provided by this section, except that last year's levy used to
21 calculate the no-new-revenue [~~effective~~] maintenance and
22 operations rate of the taxing unit is increased by the amount of
23 maintenance and operations tax revenue spent by the taxing unit
24 that discontinued operating the substantially similar department,
25 function, or activity to operate that department, function, or
26 activity for the 12 months preceding the month in which the
27 calculations required by this chapter are made and in which the

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

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

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

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

22 and

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

27 or

1 ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SPECIAL
 2 TAXING UNIT = (NO-NEW-REVENUE MAINTENANCE AND
 3 OPERATIONS RATE x 1.035) + (CURRENT DEBT RATE + UNUSED
 4 INCREMENT RATE - SALES TAX GAIN RATE)

5 where "sales tax gain rate" means a number expressed in dollars per
 6 \$100 of taxable value, calculated by dividing the revenue that will
 7 be generated by the additional sales and use tax in the following
 8 year as calculated under Subsection (d) [~~of this section~~] by the
 9 current total value.

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

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

19 or

20 ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SPECIAL
 21 TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS
 22 EXPENSE x 1.035) / (CURRENT TOTAL VALUE - NEW PROPERTY
 23 VALUE)] + (CURRENT DEBT RATE + UNUSED INCREMENT RATE -
 24 SALES TAX REVENUE RATE)

25 where "last year's maintenance and operations expense" means the
 26 amount spent for maintenance and operations from property tax and
 27 additional sales and use tax revenues in the preceding year, and

1 "sales tax revenue rate" means a number expressed in dollars per
 2 \$100 of taxable value, calculated by dividing the revenue that will
 3 be generated by the additional sales and use tax in the current year
 4 as calculated under Subsection (d) [~~of this section~~] by the current
 5 total value.

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

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

14 and

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

19 or

20 ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SPECIAL
 21 TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS
 22 EXPENSE x 1.035) / (CURRENT TOTAL VALUE - NEW PROPERTY
 23 VALUE)] + (CURRENT DEBT RATE + UNUSED INCREMENT RATE)

24 where "sales tax loss rate" means a number expressed in dollars per
 25 \$100 of taxable value, calculated by dividing the amount of sales
 26 and use tax revenue generated in the last four quarters for which
 27 the information is available by the current total value and "last

1 year's maintenance and operations expense" means the amount spent
2 for maintenance and operations from property tax and additional
3 sales and use tax revenues in the preceding year.

4 (c-1) Notwithstanding any other provision of this section,
5 the governing body of a taxing unit other than a special taxing unit
6 may direct the designated officer or employee to calculate the
7 rollback tax rate of the taxing unit in the manner provided for a
8 special taxing unit if any part of the taxing unit is located in an
9 area declared a disaster area during the current tax year by the
10 governor or by the president of the United States. The designated
11 officer or employee shall continue calculating the rollback tax
12 rate in the manner provided by this subsection until the earlier of:

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

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

21 (e) If a city that imposes an additional sales and use tax
22 receives payments under the terms of a contract executed before
23 January 1, 1986, in which the city agrees not to annex certain
24 property or a certain area and the owners or lessees of the property
25 or of property in the area agree to pay at least annually to the city
26 an amount determined by reference to all or a percentage of the
27 property tax rate of the city and all or a part of the value of the

1 property subject to the agreement or included in the area subject to
2 the agreement, the governing body, by order adopted by a majority
3 vote of the governing body, may direct the designated officer or
4 employee to add to the no-new-revenue [~~effective~~] and rollback tax
5 rates the amount that, when applied to the total taxable value
6 submitted to the governing body, would produce an amount of taxes
7 equal to the difference between the total amount of payments for the
8 tax year under contracts described by this subsection under the
9 rollback tax rate calculated under this section and the total
10 amount of payments for the tax year that would have been obligated
11 to the city if the city had not adopted an additional sales and use
12 tax.

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

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

4 (h) If the rate of the additional sales and use tax is
5 decreased, the designated officer or employee shall make two
6 projections, in the manner provided by Subsection (d) [~~of this~~
7 ~~section~~], of the revenue generated by the additional sales and use
8 tax in the following year. The first projection must take into
9 account the decrease and the second projection must not take into
10 account the decrease. The designated officer or employee shall
11 then subtract the amount of the result of the first projection from
12 the amount of the result of the second projection to determine the
13 revenue lost as a result of the decrease in the additional sales and
14 use tax. In the first year in which an additional sales and use tax
15 is decreased, the no-new-revenue [~~effective~~] tax rate for the
16 taxing unit is the no-new-revenue [~~effective~~] tax rate before the
17 decrease plus a number the numerator of which is the revenue lost as
18 a result of the decrease in the additional sales and use tax, as
19 determined under this subsection, and the denominator of which is
20 the current total value minus the new property value.

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

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

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

27 (a) In the tax year in which a city has set an election on

1 the question of whether to impose a local sales and use tax under
2 Subchapter H, Chapter 453, Transportation Code, the officer or
3 employee designated to make the calculations provided by Section
4 26.04 may not make those calculations until the outcome of the
5 election is determined. If the election is determined in favor of
6 the imposition of the tax, the designated officer or employee
7 ~~[representative]~~ shall subtract from the city's rollback and
8 no-new-revenue ~~[effective]~~ tax rates the amount that, if applied to
9 the city's current total value, would impose an amount equal to the
10 amount of property taxes budgeted in the current tax year to pay for
11 expenses related to mass transit services.

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

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

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

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

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

27 (State Criminal Justice Mandate) / (Current Total

1 Value - New Property Value)

2 (b) In the second and subsequent years that a county adopts
3 a tax rate, if the amount spent by the county for the state criminal
4 justice mandate increased over the previous year, the
5 no-new-revenue [~~effective~~] maintenance and operation rate for the
6 county is increased by the rate calculated according to the
7 following formula:

8 (This Year's State Criminal Justice Mandate - Previous
9 Year's State Criminal Justice Mandate) / (Current
10 Total Value - New Property Value)

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

17 SECTION 34. Sections 26.0441(a), (b), and (c), Tax Code,
18 are amended to read as follows:

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

26 Amount of Increase = Enhanced Indigent Health Care
27 Expenditures / (Current Total Value - New Property

1 Value)

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

7 Amount of Increase = (Current Tax Year's Enhanced
8 Indigent Health Care Expenditures - Preceding Tax
9 Year's Indigent Health Care Expenditures) / (Current
10 Total Value - New Property Value)

11 (c) The taxing unit shall include a notice of the increase
12 in its no-new-revenue [~~effective~~] maintenance and operations rate
13 provided by this section, including a brief description and the
14 amount of the enhanced indigent health care expenditures, in the
15 information published under Section 26.04(e) and, as [~~if~~]
16 applicable, in the notice prescribed by Section 26.06 or 26.061
17 [~~26.06(b)~~].

18 SECTION 35. Chapter 26, Tax Code, is amended by adding
19 Section 26.0442 to read as follows:

20 Sec. 26.0442. TAX RATE ADJUSTMENT FOR LOCAL OPTION
21 RESIDENCE HOMESTEAD EXEMPTIONS. (a) In this section, "local
22 option residence homestead exemption costs" means the amount of tax
23 revenue that a taxing unit was unable to collect in the preceding
24 tax year as a result of exemptions adopted by the taxing unit under
25 Sections 11.13(d) and (n), calculated by multiplying the adopted
26 tax rate of the taxing unit for the preceding tax year by the
27 appraised value of property that was not taxable by the taxing unit

1 in that tax year because of exemptions adopted by the taxing unit
 2 under Sections 11.13(d) and (n).

3 (b) If a taxing unit's local option residence homestead
 4 exemption costs exceed the amount of those costs for the preceding
 5 tax year, the no-new-revenue maintenance and operations rate for
 6 the taxing unit is increased by the rate computed according to the
 7 following formula:

8 (Current Tax Year's Local Option Residence Homestead
 9 Exemption Costs - Preceding Tax Year's Local Option
 10 Residence Homestead Exemption Costs) / (Current Total
 11 Value - New Property Value)

12 (c) The taxing unit shall include a notice of the increase
 13 in the no-new-revenue maintenance and operations rate provided by
 14 this section, including a description and the amount of local
 15 option residence homestead exemption costs, in the information
 16 published under Section 26.04(e) and, as applicable, in the notice
 17 prescribed by Section 26.06 or Section 26.061.

18 SECTION 36. Section 26.05, Tax Code, is amended by amending
 19 Subsections (a), (b), (c), (d), (e), and (g) and adding Subsections
 20 (d-1), (d-2), and (e-1) to read as follows:

21 (a) The governing body of each taxing unit [~~before the~~
 22 ~~later of September 30 or the 60th day after the date the certified~~
 23 ~~appraisal roll is received by the taxing unit,~~] shall adopt a tax
 24 rate for the current tax year and shall notify the assessor for the
 25 taxing unit of the rate adopted. The governing body must adopt a
 26 tax rate before the later of September 30 or the 60th day after the
 27 date the certified appraisal roll is received by the taxing unit,

1 except that the governing body must adopt a tax rate that exceeds
2 the rollback tax rate not later than the 71st day before the next
3 uniform election date prescribed by Section 41.001, Election Code,
4 that occurs in November of that year. The tax rate consists of two
5 components, each of which must be approved separately. The
6 components are:

7 (1) for a taxing unit other than a school district, the
8 rate that, if applied to the total taxable value, will impose the
9 total amount described by [~~published under~~] Section 26.04(e)(4)(C)
10 [~~26.04(e)(3)(C)~~], less any amount of additional sales and use tax
11 revenue that will be used to pay debt service, or, for a school
12 district, the rate calculated under Section
13 44.004(c)(5)(A)(ii)(b), Education Code; and

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

17 (b) A taxing unit may not impose property taxes in any year
18 until the governing body has adopted a tax rate for that year, and
19 the annual tax rate must be set by ordinance, resolution, or order,
20 depending on the method prescribed by law for adoption of a law by
21 the governing body. The vote on the ordinance, resolution, or order
22 setting the tax rate must be separate from the vote adopting the
23 budget. For a taxing unit other than a school district, the vote on
24 the ordinance, resolution, or order setting a tax rate that exceeds
25 the no-new-revenue [~~effective~~] tax rate must be a record vote, and
26 at least 60 percent of the members of the governing body must vote
27 in favor of the ordinance, resolution, or order. For a school

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

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

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

24 (B) if the tax rate exceeds the no-new-revenue
25 [~~effective~~] maintenance and operations rate, the following
26 statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT
27 PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE NO-NEW-REVENUE

1 [~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE
2 TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY
3 APPROXIMATELY \$(Insert amount)."; and

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

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

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

16 (c) If the governing body of a taxing unit does not adopt a
17 tax rate before the date required by Subsection (a), the tax rate
18 for the taxing unit for that tax year is the lower of the
19 no-new-revenue [~~effective~~] tax rate calculated for that tax year or
20 the tax rate adopted by the taxing unit for the preceding tax year.
21 A tax rate established by this subsection is treated as an adopted
22 tax rate. Before the fifth day after the establishment of a tax
23 rate by this subsection, the governing body of the taxing unit must
24 ratify the applicable tax rate in the manner required by Subsection
25 (b).

26 (d) The governing body of a taxing unit other than a school
27 district may not adopt a tax rate that exceeds the lower of the

1 rollback tax rate or the no-new-revenue [~~effective~~] tax rate
2 calculated as provided by this chapter until the governing body has
3 held a public hearing [~~two public hearings~~] on the proposed tax rate
4 and has otherwise complied with Section 26.06 and Section 26.065.
5 The governing body of a taxing unit shall reduce a tax rate set by
6 law or by vote of the electorate to the lower of the rollback tax
7 rate or the no-new-revenue [~~effective~~] tax rate and may not adopt a
8 higher rate unless it first complies with Section 26.06.

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

14 (1) delivered the notice required by Section
15 26.04(e-2); and

16 (2) complied with Section 26.17(f).

17 (d-2) Notwithstanding Subsection (a), the governing body of
18 a taxing unit other than a school district may not adopt a tax rate
19 until the chief appraiser of each appraisal district in which the
20 taxing unit participates has complied with Subsection (d-1).

21 (e) A person who owns taxable property is entitled to an
22 injunction restraining the collection of taxes by a taxing unit in
23 which the property is taxable if the taxing unit has not complied
24 with the requirements of this section or Section 26.04 [~~and the~~
25 ~~failure to comply was not in good faith~~]. It is a defense in an
26 action for an injunction under this subsection that the failure to
27 comply was in good faith. An action to enjoin the collection of

1 taxes must be filed not later than the 15th day after the date the
2 taxing unit adopts a tax rate. A property owner is not required to
3 pay the taxes imposed by a taxing unit on the owner's property while
4 an action filed by the property owner to enjoin the collection of
5 taxes imposed by the taxing unit on the owner's property is pending.
6 If the property owner pays the taxes and subsequently prevails in
7 the action, the property owner is entitled to a refund of the taxes
8 paid, together with reasonable attorney's fees and court costs.
9 The property owner is not required to apply to the collector for the
10 taxing unit to receive the refund [~~prior to the date a taxing unit~~
11 ~~delivers substantially all of its tax bills~~].

12 (e-1) The governing body of a taxing unit that imposes an
13 additional sales and use tax may not adopt the component of the tax
14 rate of the taxing unit described by Subsection (a)(1) of this
15 section until the chief financial officer or the auditor for the
16 taxing unit submits to the governing body of the taxing unit a
17 written certification that the amount of additional sales and use
18 tax revenue that will be used to pay debt service has been deducted
19 from the total amount described by Section 26.04(e)(4)(C) as
20 required by Subsection (a)(1) of this section. The comptroller
21 shall prescribe the form of the certification required by this
22 subsection and the manner in which it is required to be submitted.

23 (g) Notwithstanding Subsection (a), the governing body of a
24 school district that elects to adopt a tax rate before the adoption
25 of a budget for the fiscal year that begins in the current tax year
26 may adopt a tax rate for the current tax year before receipt of the
27 certified appraisal roll for the school district if the chief

1 appraiser of the appraisal district in which the school district
2 participates has certified to the assessor for the school district
3 an estimate of the taxable value of property in the school district
4 as provided by Section 26.01(e). If a school district adopts a tax
5 rate under this subsection, the no-new-revenue [~~effective~~] tax rate
6 and the rollback tax rate of the district shall be calculated based
7 on the certified estimate of taxable value.

8 SECTION 37. Section 26.052, Tax Code, is amended by
9 amending Subsection (e) and adding Subsection (f) to read as
10 follows:

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

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

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

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

25 (f) A taxing unit to which this section applies that elects
26 to provide public notice of its proposed tax rate under Subsection
27 (c)(2) must also provide public notice of its proposed tax rate by

1 posting notice of the proposed tax rate, including the information
2 prescribed by Subsection (e), prominently on the home page of the
3 Internet website of the taxing unit.

4 SECTION 38. Section 26.06, Tax Code, is amended by amending
5 Subsections (a), (b), (c), (d), and (e) and adding Subsections
6 (b-1), (b-2), (b-3), and (b-4) to read as follows:

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

18 (b) The notice of a public hearing may not be smaller than
19 one-quarter page of a standard-size or a tabloid-size newspaper,
20 and the headline on the notice must be in 24-point or larger type.
21 ~~[The notice must contain a statement in the following form:~~

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

23 ~~["The (name of the taxing unit) will hold two public hearings~~
24 ~~on a proposal to increase total tax revenues from properties on the~~
25 ~~tax roll in the preceding tax year by (percentage by which proposed~~
26 ~~tax rate exceeds lower of rollback tax rate or effective tax rate~~
27 ~~calculated under this chapter) percent. Your individual taxes may~~

1 ~~increase at a greater or lesser rate, or even decrease, depending on~~
2 ~~the change in the taxable value of your property in relation to the~~
3 ~~change in taxable value of all other property and the tax rate that~~
4 ~~is adopted.~~

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

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

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

12 ~~["The average taxable value of a residence homestead in (name~~
13 ~~of taxing unit) last year was \$_____ (average taxable value of a~~
14 ~~residence homestead in the taxing unit for the preceding tax year,~~
15 ~~disregarding residence homestead exemptions available only to~~
16 ~~disabled persons or persons 65 years of age or older). Based on~~
17 ~~last year's tax rate of \$_____ (preceding year's adopted tax rate)~~
18 ~~per \$100 of taxable value, the amount of taxes imposed last year on~~
19 ~~the average home was \$_____ (tax on average taxable value of a~~
20 ~~residence homestead in the taxing unit for the preceding tax year,~~
21 ~~disregarding residence homestead exemptions available only to~~
22 ~~disabled persons or persons 65 years of age or older).]~~

23 ~~["The average taxable value of a residence homestead in (name~~
24 ~~of taxing unit) this year is \$_____ (average taxable value of a~~
25 ~~residence homestead in the taxing unit for the current tax year,~~
26 ~~disregarding residence homestead exemptions available only to~~
27 ~~disabled persons or persons 65 years of age or older). If the~~

~~1 governing body adopts the effective tax rate for this year of \$_____~~
~~2 (effective tax rate) per \$100 of taxable value, the amount of taxes~~
~~3 imposed this year on the average home would be \$_____ (tax on average~~
~~4 taxable value of a residence homestead in the taxing unit for the~~
~~5 current tax year, disregarding residence homestead exemptions~~
~~6 available only to disabled persons or persons 65 years of age or~~
~~7 older).~~

~~8 ["If the governing body adopts the proposed tax rate of \$_____~~
~~9 (proposed tax rate) per \$100 of taxable value, the amount of taxes~~
~~10 imposed this year on the average home would be \$_____ (tax on the~~
~~11 average taxable value of a residence in the taxing unit for the~~
~~12 current year disregarding residence homestead exemptions available~~
~~13 only to disabled persons or persons 65 years of age or older).~~

~~14 ["Members of the public are encouraged to attend the hearings~~
~~15 and express their views."]~~

16 (b-1) If the proposed tax rate exceeds the no-new-revenue
17 tax rate and the rollback tax rate of the taxing unit, the notice
18 must contain a statement in the following form:

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

<u>20</u>	<u>"PROPOSED TAX RATE</u>	<u>\$_____ per \$100</u>
<u>21</u>	<u>"NO-NEW-REVENUE TAX RATE</u>	<u>\$_____ per \$100</u>
<u>22</u>	<u>"ROLLBACK TAX RATE</u>	<u>\$_____ per \$100</u>

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

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

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

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

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

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

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

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

26 (b-2) If the proposed tax rate exceeds the no-new-revenue
27 tax rate but does not exceed the rollback tax rate of the taxing

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

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

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

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

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

10 "NOTICE OF PUBLIC HEARING ON TAX RATE

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

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

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

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

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

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

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

27 "The proposed tax rate is greater than the rollback tax rate.

1 If (name of taxing unit) adopts the proposed tax rate, (name of
2 taxing unit) is required to hold an election so that the voters may
3 accept or reject the proposed tax rate. If a majority of the voters
4 reject the proposed tax rate, the (name of taxing unit) will be
5 required to adopt a new tax rate that is not greater than the
6 rollback tax rate. The election will be held on (date of election).
7 You may contact the (name of office responsible for administering
8 the election) for information about voting locations. The hours of
9 voting on election day are (voting hours).

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

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

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

17 (b-4) In addition to including the information described by
18 Subsection (b-1), (b-2), or (b-3), as applicable, the notice must
19 include the information described by Section 26.062.

20 (c) The notice of a public hearing under this section may be
21 delivered by mail to each property owner in the taxing unit, or may
22 be published in a newspaper. If the notice is published in a
23 newspaper, it may not be in the part of the paper in which legal
24 notices and classified advertisements appear. If the taxing unit
25 publishes the notice in a newspaper [~~operates an Internet website~~],
26 the taxing unit must also post the notice prominently on the home
27 page of the Internet website of the taxing unit [~~must be posted on~~

1 ~~the website]~~ from the date the notice is first published until the
2 ~~[second]~~ public hearing is concluded.

3 (d) The governing body may vote on the proposed tax rate at
4 the public hearing. If the governing body does not vote on the
5 proposed tax rate at the public hearing, [At the public hearings]
6 the governing body shall announce at the public hearing the date,
7 time, and place of the meeting at which it will vote on the proposed
8 tax rate and, after the hearing, [After each hearing the
9 governing body] shall give notice of the meeting ~~[at which it will~~
10 ~~vote on the proposed tax rate and the notice shall be]~~ in the same
11 form as prescribed by Subsections (b) and (c), except that the
12 notice [it] must state the following:

13 "NOTICE OF TAX REVENUE INCREASE

14 "The (name of the taxing unit) conducted a public hearing
15 ~~[hearings]~~ on (date of ~~[first]~~ hearing) ~~[and (date of second~~
16 ~~hearing)]~~ on a proposal to increase the total tax revenues of the
17 (name of the taxing unit) from properties on the tax roll in the
18 preceding year by (percentage by which proposed tax rate exceeds
19 lower of rollback tax rate or no-new-revenue ~~[effective]~~ tax rate
20 calculated under this chapter) percent.

21 "The total tax revenue proposed to be raised last year at last
22 year's tax rate of (insert tax rate for the preceding year) for each
23 \$100 of taxable value was (insert total amount of taxes imposed in
24 the preceding year).

25 "The total tax revenue proposed to be raised this year at the
26 proposed tax rate of (insert proposed tax rate) for each \$100 of
27 taxable value, excluding tax revenue to be raised from new property

1 added to the tax roll this year, is (insert amount computed by
2 multiplying proposed tax rate by the difference between current
3 total value and new property value).

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

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

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

16 (e) A [The] meeting to vote on the tax increase for which
17 notice is required to be provided under Subsection (d) may not be
18 held [earlier than the third day or] later than the seventh [14th]
19 day after the date of the [second] public hearing. The meeting must
20 be held inside the boundaries of the taxing unit in a publicly owned
21 building or, if a suitable publicly owned building is not
22 available, in a suitable building to which the public normally has
23 access. If the governing body does not adopt a tax rate that
24 exceeds the lower of the rollback tax rate or the no-new-revenue
25 [effective] tax rate by the seventh [14th] day, it must give a new
26 notice under Subsection (d) before it may adopt a rate that exceeds
27 the lower of the rollback tax rate or the no-new-revenue

1 ~~effective~~ tax rate.

2 SECTION 39. Chapter 26, Tax Code, is amended by adding
3 Sections 26.061, 26.062, and 26.063 to read as follows:

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

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

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

13 "NOTICE OF MEETING TO VOTE ON TAX RATE

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

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

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

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

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

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

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

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

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

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

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

16 (c) In addition to including the information described by
17 Subsection (b), the notice must include the information described
18 by Section 26.062.

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

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

26 (1) a statement in the following form:

27 "The following table compares the taxes imposed on the

1 average residence homestead by (name of taxing unit) last year to
2 the taxes proposed to be imposed on the average residence homestead
3 by (name of taxing unit) this year:";

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

6 (3) a statement in the following form following the
7 table:

8 (A) if the tax assessor for the taxing unit
9 maintains an Internet website: "For assistance with tax
10 calculations, please contact the tax assessor for (name of taxing
11 unit) at (telephone number) or (e-mail address), or visit (Internet
12 website address) for more information."; or

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

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

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

19 (1) the first column of the first row must be left
20 blank;

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

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

25 (4) the fourth column of the first row must be entitled
26 "Change".

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

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

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

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

7 (4) the fourth column of the second row must state the
8 nominal and percentage difference between the adopted tax rate for
9 the preceding tax year and the proposed tax rate for the current tax
10 year as follows: "(increase or decrease, as applicable) of
11 (nominal difference between tax rate stated in second column of
12 second row and tax rate stated in third column of second row) per
13 \$100, or (percentage difference between tax rate stated in second
14 column of second row and tax rate stated in third column of second
15 row)%".

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

17 (1) the first column of the third row must be entitled
18 "Average homestead taxable value";

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

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

25 (4) the fourth column of the third row must state the
26 percentage difference between the average taxable value of a
27 residence homestead in the taxing unit for the preceding tax year

1 and the average taxable value of a residence homestead in the taxing
2 unit for the current tax year as follows: "(increase or decrease,
3 as applicable) of (percentage difference between amount stated in
4 second column of third row and amount stated in third column of
5 third row)%".

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

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

9 (2) the second column of the fourth row must state the
10 amount of taxes imposed by the taxing unit in the preceding tax year
11 on a residence homestead with a taxable value equal to the average
12 taxable value of a residence homestead in the taxing unit in the
13 preceding tax year;

14 (3) the third column of the fourth row must state the
15 amount of taxes that would be imposed by the taxing unit in the
16 current tax year on a residence homestead with a taxable value equal
17 to the average taxable value of a residence homestead in the taxing
18 unit in the current tax year if the taxing unit adopted the proposed
19 tax rate; and

20 (4) the fourth column of the fourth row must state the
21 nominal and percentage difference between the amount of taxes
22 imposed by the taxing unit in the preceding tax year on a residence
23 homestead with a taxable value equal to the average taxable value of
24 a residence homestead in the taxing unit in the preceding tax year
25 and the amount of taxes that would be imposed by the taxing unit in
26 the current tax year on a residence homestead with a taxable value
27 equal to the average taxable value of a residence homestead in the

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

8 (g) The fifth row must appear as follows:

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

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

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

16 (4) the fourth column of the fifth row must state the
17 nominal and percentage difference between the total amount of taxes
18 imposed by the taxing unit in the preceding tax year and the amount
19 that would be imposed by the taxing unit in the current tax year if
20 the taxing unit adopted the proposed tax rate, as follows:
21 "(increase or decrease, as applicable) of (nominal difference
22 between amount stated in second column of fifth row and amount
23 stated in third column of fifth row), or (percentage difference
24 between amount stated in second column of fifth row and amount
25 stated in third column of fifth row)%".

26 (h) In calculating the average taxable value of a residence
27 homestead in the taxing unit for the preceding tax year and the

1 current tax year for purposes of Subsections (e) and (f), any
2 residence homestead exemption available only to disabled persons,
3 persons 65 years of age or older, or their surviving spouses must be
4 disregarded.

5 Sec. 26.063. ALTERNATE PROVISIONS FOR TAX RATE NOTICE OF
6 TAXING UNIT OTHER THAN SPECIAL TAXING UNIT. (a) This section
7 applies only to a taxing unit:

8 (1) that is a taxing unit other than a special taxing
9 unit;

10 (2) that is required to provide notice under Section
11 26.06(b-1) or (b-3); and

12 (3) for which the de minimis rate exceeds the rollback
13 tax rate.

14 (b) In the notice required to be provided by the taxing unit
15 under Section 26.06(b-1) or (b-3), as applicable, the taxing unit
16 shall:

17 (1) substitute the following for the definition of
18 "rollback tax rate": "The rollback tax rate is the highest tax rate
19 that (name of taxing unit) may adopt without holding an election to
20 ratify the rate, unless the de minimis rate for (insert name of
21 taxing unit) exceeds the rollback tax rate for (insert name of
22 taxing unit), in which case the de minimis rate is the highest tax
23 rate that (name of taxing unit) may adopt without an election.";

24 (2) add the following definition of "de minimis rate":
25 "The de minimis rate is the rate equal to the sum of the
26 no-new-revenue maintenance and operations rate for (name of taxing
27 unit), the rate that will raise the de minimis amount, and the

1 current debt rate for (name of taxing unit)."; and
2 (3) substitute the following for the provision that
3 provides notice that an election is required: "The proposed tax
4 rate is greater than the rollback tax rate. If (name of taxing
5 unit) adopts the proposed tax rate, (name of taxing unit) is
6 required to hold an election so that the voters may accept or reject
7 the proposed tax rate unless the de minimis rate exceeds the
8 rollback tax rate and the proposed tax rate is less than the de
9 minimis rate. If a majority of the voters reject the proposed tax
10 rate, the (name of taxing unit) will be required to adopt a new tax
11 rate that is not greater than the rollback tax rate. The election
12 will be held on (date of election). You may contact the (name of
13 office responsible for administering the election) for information
14 about voting locations. The hours of voting on election day are
15 (voting hours)."

16 SECTION 40. Section 26.065(b), Tax Code, is amended to read
17 as follows:

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

25 SECTION 41. Section 26.07, Tax Code, is amended to read as
26 follows:

27 Sec. 26.07. ELECTION TO APPROVE TAX RATE OF TAXING UNIT

1 OTHER THAN SCHOOL DISTRICT [~~REPEAL INCREASE~~]. (a) This section
2 applies to [~~If the governing body of~~] a taxing unit other than a
3 school district.

4 (b) If the governing body of a special taxing unit adopts a
5 tax rate that exceeds the taxing unit's rollback tax rate or the
6 governing body of a taxing unit other than a special taxing unit
7 adopts a tax rate that exceeds the greater of the taxing unit's
8 rollback tax rate or de minimis rate [~~calculated as provided by this~~
9 ~~chapter~~], the registered [~~qualified~~] voters of the taxing unit at
10 an election held for that purpose must determine whether to approve
11 the adopted tax rate. When increased expenditure of money by a
12 taxing unit is necessary to respond to a disaster, including a
13 tornado, hurricane, flood, or other calamity, but not including a
14 drought, that has impacted the taxing unit and the governor has
15 declared any part of the area in which the taxing unit is located as
16 a disaster area, an election is not required under this section to
17 approve the tax rate adopted by the governing body for the year
18 following the year in which the disaster occurs [~~by petition may~~
19 ~~require that an election be held to determine whether or not to~~
20 ~~reduce the tax rate adopted for the current year to the rollback tax~~
21 ~~rate calculated as provided by this chapter~~].

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

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

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

1 ~~[(A) seven percent of the number of registered~~
2 ~~voters of the taxing unit according to the most recent list of~~
3 ~~registered voters if the tax rate adopted for the current tax year~~
4 ~~would impose taxes for maintenance and operations in an amount of at~~
5 ~~least \$5 million; or~~

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

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

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

19 ~~[(d) If the governing body finds that the petition is valid~~
20 ~~(or fails to act within the time allowed), it]~~ shall order that the
21 [an] election be held in the taxing unit on the uniform election
22 date prescribed by Section 41.001, Election Code, that occurs in
23 November of the applicable tax year. The order calling the election
24 may not be issued later than August 15 ~~[a date not less than 30 or~~
25 ~~more than 90 days after the last day on which it could have acted to~~
26 ~~approve or disapprove the petition. A state law requiring local~~
27 ~~elections to be held on a specified date does not apply to the~~

1 ~~election unless a specified date falls within the time permitted by~~
 2 ~~this section].~~ At the election, the ballots shall be prepared to
 3 permit voting for or against the proposition: "Approving the ad
 4 valorem tax rate of \$_____ per \$100 valuation in (name of taxing
 5 unit) for the current year, a rate that is \$_____ higher per \$100
 6 valuation than the rollback tax rate of (name of taxing unit), for
 7 the purpose of (description of purpose of increase) ["Reducing the
 8 tax rate in (name of taxing unit) for the current year from (the
 9 rate adopted) to (the rollback tax rate calculated as provided by
 10 this chapter)]." The ballot proposition must include the adopted
 11 tax rate and the difference between that rate and the rollback tax
 12 rate in the appropriate places.

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

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

23 (f) If, [~~the tax rate is reduced by an election called under~~
 24 ~~this section]~~ after tax bills for the taxing unit have been [~~are]~~
 25 mailed, a proposition to approve the taxing unit's adopted tax rate
 26 is not approved by the voters of the taxing unit at an election held
 27 under this section, on subsequent adoption of a new tax rate by the

1 governing body of the taxing unit, the assessor for the taxing unit
2 shall prepare and mail corrected tax bills. The assessor [~~He~~] shall
3 include with the bill a brief explanation of the reason for and
4 effect of the corrected bill. The date on which the taxes become
5 delinquent for the year is extended by a number of days equal to the
6 number of days between the date the first tax bills were sent and
7 the date the corrected tax bills were sent.

8 (g) If a property owner pays taxes calculated using the
9 originally adopted [~~higher~~] tax rate of the taxing unit and the
10 proposition to approve the adopted tax rate is not approved by
11 voters [~~when the rate is reduced by an election called under this~~
12 ~~section~~], the taxing unit shall refund the difference between the
13 amount of taxes paid and the amount due under the subsequently
14 adopted [~~reduced~~] rate if the difference between the amount of
15 taxes paid and the amount due under the subsequent [~~reduced~~] rate is
16 \$1 or more. If the difference between the amount of taxes paid and
17 the amount due under the subsequent [~~reduced~~] rate is less than \$1,
18 the taxing unit shall refund the difference on request of the
19 taxpayer. An application for a refund of less than \$1 must be made
20 within 90 days after the date the refund becomes due or the taxpayer
21 forfeits the right to the refund.

22 SECTION 42. Section 26.08(n), Tax Code, is amended to read
23 as follows:

24 (n) For purposes of this section, the rollback tax rate of a
25 school district [~~whose maintenance and operations tax rate for the~~
26 ~~2005 tax year was \$1.50 or less per \$100 of taxable value~~] is the sum
27 of the following:

1 (1) the rate per \$100 of taxable value that is equal to
2 the product of the no-new-revenue maintenance and operations tax
3 rate of the district as computed under Subsection (i) and 1.02 [~~for~~
4 ~~the 2006 tax year, the sum of the rate that is equal to 88.67 percent~~
5 ~~of the maintenance and operations tax rate adopted by the district~~
6 ~~for the 2005 tax year, the rate of \$0.04 per \$100 of taxable value,~~
7 ~~and the district's current debt rate]; and~~

8 (2) [~~for the 2007 and subsequent tax years, the lesser~~
9 ~~of the following:~~

10 [~~(A) the sum of the following:~~

11 [~~(i) the rate per \$100 of taxable value that~~
12 ~~is equal to the product of the state compression percentage, as~~
13 ~~determined under Section 42.2516, Education Code, for the current~~
14 ~~year and \$1.50;~~

15 [~~(ii) the rate of \$0.04 per \$100 of taxable~~
16 ~~value;~~

17 [~~(iii) the rate that is equal to the sum of~~
18 ~~the differences for the 2006 and each subsequent tax year between~~
19 ~~the adopted tax rate of the district for that year if the rate was~~
20 ~~approved at an election under this section and the rollback tax rate~~
21 ~~of the district for that year; and~~

22 [~~(iv) the district's current debt rate; or~~

23 [~~(B) the sum of the following:~~

24 [~~(i) the effective maintenance and~~
25 ~~operations tax rate of the district as computed under Subsection~~
26 ~~(i) or (k), as applicable;~~

27 [~~(ii) the rate per \$100 of taxable value~~

1 ~~that is equal to the product of the state compression percentage, as~~
2 ~~determined under Section 42.2516, Education Code, for the current~~
3 ~~year and \$0.06, and~~

4 [~~iii~~] the district's current debt rate.

5 SECTION 43. The heading to Section 26.16, Tax Code, is
6 amended to read as follows:

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

9 SECTION 44. Section 26.16, Tax Code, is amended by amending
10 Subsections (a) and (d) and adding Subsections (a-1), (d-1), and
11 (d-2) to read as follows:

12 (a) Each county shall maintain an Internet website. The
13 county assessor-collector for each county [~~that maintains an~~
14 ~~Internet website~~] shall post on the Internet website maintained by
15 [~~of~~] the county the following information for the most recent five
16 tax years [~~beginning with the 2012 tax year~~] for each taxing unit
17 all or part of the territory of which is located in the county:

- 18 (1) the adopted tax rate;
- 19 (2) the maintenance and operations rate;
- 20 (3) the debt rate;
- 21 (4) the no-new-revenue [~~effective~~] tax rate;
- 22 (5) the no-new-revenue [~~effective~~] maintenance and
23 operations rate; and
- 24 (6) the rollback tax rate.

25 (a-1) For purposes of Subsection (a), a reference to the
26 no-new-revenue tax rate or the no-new-revenue maintenance and
27 operations rate includes the equivalent effective tax rate or

1 effective maintenance and operations rate for a preceding year.

2 This subsection expires January 1, 2026.

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

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

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

13 "The maintenance and operations rate is the component of the
14 adopted tax rate of a taxing unit that will impose the amount of
15 taxes needed to fund maintenance and operation expenditures of the
16 taxing unit for the following year.

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

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

25 "The no-new-revenue [~~effective~~] maintenance and operations
26 rate is the tax rate that would generate the same amount of revenue
27 for maintenance and operations in the current tax year as was

1 generated by a taxing unit's maintenance and operations rate in the
2 preceding tax year from property that is taxable in both the current
3 tax year and the preceding tax year.

4 "The rollback tax rate is the highest tax rate a taxing unit
5 may adopt before requiring voter approval at an election. An [~~In~~
6 ~~the case of a taxing unit other than a school district, the voters~~
7 ~~by petition may require that a rollback election be held if the unit~~
8 ~~adopts a tax rate in excess of the unit's rollback tax rate. In the~~
9 ~~case of a school district, an~~] election will automatically be held
10 if a taxing unit [~~the district~~] wishes to adopt a tax rate in excess
11 of the taxing unit's [~~district's~~] rollback tax rate."

12 (d-1) In addition to posting the information described by
13 Subsection (a), the county assessor-collector shall post on the
14 Internet website of the county for each taxing unit all or part of
15 the territory of which is located in the county:

16 (1) the tax rate calculation forms used by the
17 designated officer or employee of each taxing unit to calculate the
18 no-new-revenue and rollback tax rates of the taxing unit for the
19 most recent five tax years beginning with the 2020 tax year, as
20 certified by the designated officer or employee under Section
21 26.04(d-2); and

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

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

1 SECTION 45. Chapter 26, Tax Code, is amended by adding
2 Sections 26.17 and 26.18 to read as follows:

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

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

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

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

13 (3) is continuously updated as preliminary and revised
14 data become available to and are provided by the designated
15 officers or employees of taxing units;

16 (4) is accessible to the public; and

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

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

22 (1) the property's identification number;

23 (2) the property's market value;

24 (3) the property's taxable value;

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

27 (5) for each taxing unit other than a school district

1 in which the property is located:

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

3 (B) the rollback tax rate;

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

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

10 (B) the rollback tax rate;

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

13 (8) for each taxing unit other than a school district
14 in which the property is located, the taxes that would be imposed on
15 the property if the taxing unit adopted a tax rate equal to:

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

17 (B) the proposed tax rate;

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

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

25 (B) the proposed tax rate;

26 (10) for each taxing unit other than a school district
27 in which the property is located, the difference between the amount

1 calculated under Subdivision (8)(A) and the amount calculated under
2 Subdivision (8)(B);

3 (11) for each school district in which the property is
4 located, the difference between the amount calculated under
5 Subdivision (9)(A) and the amount calculated under Subdivision
6 (9)(B);

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

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

14 (14) for each taxing unit in which the property is
15 located, an e-mail address at which the taxing unit is capable of
16 receiving written comments regarding the proposed tax rate of the
17 taxing unit.

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

21 (d) The database must allow the property owner to
22 electronically complete and submit to a taxing unit in which the
23 owner's property is located a form on which the owner may provide
24 the owner's opinion as to whether the tax rate proposed by the
25 governing body of the taxing unit should be adopted. The form must
26 require the owner to provide the owner's name and contact
27 information and the physical address of the owner's property

1 located in the taxing unit. The database must allow a property
2 owner to complete and submit the form at any time during the period
3 beginning on the date the governing body of the taxing unit proposes
4 the tax rate for that tax year and ending on the date the governing
5 body adopts a tax rate for that tax year.

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

10 (1) the information described by Subsections (b)(5),
11 (6), (7), (12), and (13), as applicable, as the information becomes
12 available; and

13 (2) the tax rate calculation forms prepared under
14 Section 26.04(d-1) at the same time the designated officer or
15 employee submits the tax rates to the governing body of the taxing
16 unit under Section 26.04(e).

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

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

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

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

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

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

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

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

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

18 (A) the preceding two years; and

19 (B) the current year;

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

23 (A) the preceding two years; and

24 (B) the current year;

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

27 (10) in the case of a taxing unit other than a school

1 district, the tax rate for debt service adopted by the taxing unit
2 for the preceding two years;

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

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

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

11 (14) in the case of a school district, the interest and
12 sinking fund tax rate proposed by the district for the current year;
13 and

14 (15) the most recent financial audit of the taxing
15 unit.

16 SECTION 46. Section 31.12(b), Tax Code, is amended to read
17 as follows:

18 (b) For purposes of this section, liability for a refund
19 arises:

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

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

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

27 (A) for a correction to the tax roll made under

1 Section 26.15(b), on the date the change in the tax roll is
2 certified to the assessor for the taxing unit under Section 25.25;
3 or

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

7 (4) if the refund is required by Section 31.11, on the
8 date the auditor for the taxing unit determines that the payment was
9 erroneous or excessive or, if the amount of the refund exceeds the
10 applicable amount specified by Section 31.11(a), on the date the
11 governing body of the taxing unit approves the refund;

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

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

17 SECTION 47. Section 41.03(a), Tax Code, is amended to read
18 as follows:

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

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

24 ~~[-2-]~~ an exclusion of property from the appraisal
25 records;

26 (2) ~~[-3-]~~ a grant in whole or in part of a partial
27 exemption;

1 (3) [~~(4)~~] a determination that land qualifies for
2 appraisal as provided by Subchapter C, D, E, or H, Chapter 23; or

3 (4) [~~(5)~~] failure to identify the taxing unit as one
4 in which a particular property is taxable.

5 SECTION 48. Section 41.44(d), Tax Code, is amended to read
6 as follows:

7 (d) A notice of protest is sufficient if it identifies the
8 protesting property owner, including a person claiming an ownership
9 interest in the property even if that person is not listed on the
10 appraisal records as an owner of the property, identifies the
11 property that is the subject of the protest, and indicates apparent
12 dissatisfaction with some determination of the appraisal office.
13 The notice need not be on an official form, but the comptroller
14 shall prescribe a form that provides for more detail about the
15 nature of the protest. The form must permit a property owner to
16 include each property in the appraisal district that is the subject
17 of a protest. The form must permit a property owner to request that
18 the protest be heard by a special panel established under Section
19 6.425 if the protest will be determined by an appraisal review board
20 to which that section applies and the property is included in a
21 classification described by Section 6.425(b). The comptroller,
22 each appraisal office, and each appraisal review board shall make
23 the forms readily available and deliver one to a property owner on
24 request.

25 SECTION 49. Section 41.45, Tax Code, is amended by amending
26 Subsection (d) and adding Subsections (d-1), (d-2), and (d-3) to
27 read as follows:

1 (d) This subsection does not apply to a special panel
2 established under Section 6.425. An appraisal review board
3 consisting of more than three members may sit in panels of not fewer
4 than three members to conduct protest hearings. [~~However, the~~
5 ~~determination of a protest heard by a panel must be made by the~~
6 ~~board.~~] If the recommendation of a panel is not accepted by the
7 board, the board may refer the matter for rehearing to a panel
8 composed of members who did not hear the original protest [~~hearing~~]
9 or, if there are not at least three members who did not hear the
10 original protest, the board may determine the protest. [~~Before~~
11 ~~determining a protest or conducting a rehearing before a new panel~~
12 ~~or the board, the board shall deliver notice of the hearing or~~
13 ~~meeting to determine the protest in accordance with the provisions~~
14 ~~of this subchapter.~~]

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

27 (d-2) The determination of a protest heard by a panel under

1 Subsection (d) or (d-1) must be made by the board.

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

6 SECTION 50. Section 41.46(a), Tax Code, is amended to read
7 as follows:

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

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

14 (2) a description of the subject matter of the hearing
15 that is sufficient to identify the specific action being protested,
16 such as:

17 (A) the determination of the appraised value of
18 the property owner's property;

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

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

24 (3) a statement that [~~on the protest and of~~] the
25 property owner is entitled [~~owner's entitlement~~] to a postponement
26 of the hearing as provided by Section 41.45 unless the property
27 owner waives in writing notice of the hearing. [~~The board shall~~

1 ~~deliver the notice not later than the 15th day before the date of~~
2 ~~the hearing.]~~

3 SECTION 51. Section 41.461, Tax Code, is amended to read as
4 follows:

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

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

12 (2) inform the property owner that the owner or the
13 agent of the owner is entitled on request to [~~may inspect and may~~
14 ~~obtain~~] a copy of the data, schedules, formulas, and all other
15 information the chief appraiser will [~~plans to~~] introduce at the
16 hearing to establish any matter at issue; and

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

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

26 [~~(1) the total charge for copies provided in~~
27 ~~connection with a protest of the appraisal of residential property~~

1 ~~may not exceed \$15 for each residence, and~~

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

6 (c) A chief appraiser shall deliver information requested
7 by a property owner or the agent of the owner under Subsection
8 (a)(2):

9 (1) by regular first-class mail, deposited in the
10 United States mail, postage prepaid, and addressed to the property
11 owner or agent at the address provided in the request for the
12 information;

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

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

21 (d) If a chief appraiser provides a property owner or the
22 designated agent of the owner information under Subsection (c)(3),
23 the notice must contain a statement in a conspicuous font that
24 clearly indicates that the property owner or the agent of the owner
25 may on request receive the information by regular first-class mail
26 or in person at the appraisal office. On request by a property
27 owner or the agent of the owner, the chief appraiser must provide

1 the information by regular first-class mail or in person at the
2 appraisal office.

3 SECTION 52. Section 41.47, Tax Code, is amended by adding
4 Subsections (c-2) and (f) and amending Subsections (d) and (e) to
5 read as follows:

6 (c-2) The board may not determine the appraised value of the
7 property that is the subject of a protest to be an amount greater
8 than the appraised value of the property as shown in the appraisal
9 records submitted to the board by the chief appraiser under Section
10 25.22 or 25.23. This subsection does not apply if the action being
11 protested is the cancellation, modification, or denial of an
12 exemption or the determination that the property does not qualify
13 for appraisal as provided by Subchapter C, D, E, or H, Chapter 23.

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

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

17 (2) a copy of the appraisal review board survey
18 prepared under Section 5.104 and instructions for completing and
19 submitting the survey to the property owner.

20 (e) The notice of the issuance of the order must contain a
21 prominently printed statement in upper-case bold lettering
22 informing the property owner in clear and concise language of the
23 property owner's right to appeal the order of the board [~~board's~~
24 ~~decision~~] to district court. The statement must describe the
25 deadline prescribed by Section 42.06(a) [~~of this code~~] for filing a
26 written notice of appeal[~~7~~] and the deadline prescribed by Section
27 42.21(a) [~~of this code~~] for filing the petition for review with the

1 district court.

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

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

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

12 SECTION 53. Section 41.66, Tax Code, is amended by amending
13 Subsections (h), (i), (j), and (k) and adding Subsections (j-1),
14 (k-1), and (p) to read as follows:

15 (h) The appraisal review board shall postpone a hearing on a
16 protest if the property owner or the designated agent of the owner
17 requests additional time to prepare for the hearing and establishes
18 to the board that the chief appraiser failed to comply with Section
19 41.461. The board is not required to postpone a hearing more than
20 one time under this subsection.

21 (i) A hearing on a protest filed by a property owner or the
22 designated agent of the owner [~~who is not represented by an agent~~
23 ~~designated under Section 1.111~~] shall be set for a time and date
24 certain. If the hearing is not commenced within two hours of the
25 time set for the hearing, the appraisal review board shall postpone
26 the hearing on the request of the property owner or the designated
27 agent of the owner.

1 (j) On the request of a property owner or the [a] designated
2 agent of the owner, an appraisal review board shall schedule
3 hearings on protests concerning up to 20 designated properties to
4 be held consecutively on the same day. The designated properties
5 must be identified in the same notice of protest, and the notice
6 must contain in boldfaced type the statement "request for same-day
7 protest hearings." A property owner or the designated agent of the
8 owner may [~~not~~] file more than one request under this subsection
9 with the appraisal review board in the same tax year. The appraisal
10 review board may schedule hearings on protests concerning more than
11 20 properties filed by the same property owner or the designated
12 agent of the owner and may use different panels to conduct the
13 hearings based on the board's customary scheduling. The appraisal
14 review board may follow the practices customarily used by the board
15 in the scheduling of hearings under this subsection.

16 (j-1) An appraisal review board may schedule the hearings on
17 all protests filed by a property owner or the designated agent of
18 the owner to be held consecutively. The notice of the hearings must
19 state the date and time that the first hearing will begin, state the
20 date the last hearing will end, and list the order in which the
21 hearings will be held. The order of the hearings listed in the
22 notice may not be changed without the agreement of the property
23 owner or the designated agent of the owner, the chief appraiser, and
24 the appraisal review board. The board may not reschedule a hearing
25 for which notice is given under this subsection to a date earlier
26 than the seventh day after the date the last hearing was scheduled
27 to end unless agreed to by the property owner or the designated

1 agent of the owner, the chief appraiser, and the appraisal review
2 board. Unless agreed to by the parties, the board must provide
3 written notice of the date and time of the rescheduled hearing to
4 the property owner or the designated agent of the owner not later
5 than the seventh day before the date of the hearing.

6 (k) This subsection does not apply to a special panel
7 established under Section 6.425. If an appraisal review board sits
8 in panels to conduct protest hearings, protests shall be randomly
9 assigned to panels, except that the board may consider the type of
10 property subject to the protest or the ground of the protest for the
11 purpose of using the expertise of a particular panel in hearing
12 protests regarding particular types of property or based on
13 particular grounds. If a protest is scheduled to be heard by a
14 particular panel, the protest may not be reassigned to another
15 panel without the consent of the property owner or the designated
16 agent of the owner. If the appraisal review board has cause to
17 reassign a protest to another panel, a property owner or the
18 designated agent of the owner may agree to reassignment of the
19 protest or may request that the hearing on the protest be postponed.
20 The board shall postpone the hearing on that request. A change of
21 members of a panel because of a conflict of interest, illness, or
22 inability to continue participating in hearings for the remainder
23 of the day does not constitute reassignment of a protest to another
24 panel.

25 (k-1) On the request of a property owner or the designated
26 agent of the owner, an appraisal review board to which Section 6.425
27 applies shall assign a protest relating to property described by

1 Section 6.425(b) to a special panel. In addition, the chairman of
2 the appraisal review board may assign a protest relating to
3 property not described by Section 6.425(b) to a special panel as
4 authorized by Section 6.425(f), but only if the assignment is
5 requested or consented to by the property owner or the designated
6 agent of the owner. Protests assigned to special panels shall be
7 randomly assigned to those panels. If a protest is scheduled to be
8 heard by a particular special panel, the protest may not be
9 reassigned to another special panel without the consent of the
10 property owner or the designated agent of the owner. If the board
11 has cause to reassign a protest to another special panel, a property
12 owner or the designated agent of the owner may agree to reassignment
13 of the protest or may request that the hearing on the protest be
14 postponed. The board shall postpone the hearing on that request. A
15 change of members of a special panel because of a conflict of
16 interest, illness, or inability to continue participating in
17 hearings for the remainder of the day does not constitute
18 reassignment of a protest to another special panel.

19 (p) At the end of a hearing on a protest, the appraisal
20 review board shall provide the property owner or the designated
21 agent of the owner one or more documents indicating that the members
22 of the board hearing the protest signed the affidavit required by
23 Subsection (g).

24 SECTION 54. Section 41.67(d), Tax Code, is amended to read
25 as follows:

26 (d) Information that was previously requested under Section
27 41.461 by the protesting party that was not delivered ~~made~~

1 ~~available]~~ to the protesting party at least 14 days before the
2 scheduled or postponed hearing may not be used or offered in any
3 form as evidence in the hearing, including as a document or through
4 argument or testimony. This subsection does not apply to
5 information offered to rebut evidence or argument presented at the
6 hearing by the protesting party or that party's designated agent.

7 SECTION 55. Section 41.71, Tax Code, is amended to read as
8 follows:

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

13 (b) The board may not schedule:

14 (1) the first hearing on a protest held on a weekday
15 evening to begin after 7 p.m.; or

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

17 SECTION 56. Section 41A.06(b), Tax Code, is amended to read
18 as follows:

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

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

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

23 (B) have:

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

27 (ii) been licensed or certified

1 continuously during the five years preceding the date the person
2 agrees to serve as an arbitrator as:

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

5 (b) a real estate appraiser under
6 Chapter 1103, Occupations Code; or

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

9 (2) complete the courses for training and education of
10 appraisal review board members established under Sections 5.041(a)
11 and (e-1) and be issued a certificate for each course indicating
12 course completion;

13 (3) complete the training program on property tax law
14 for the training and education of arbitrators established under
15 Section 5.043; and

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

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

22 (B) \$450, if the property qualifies as the
23 owner's residence homestead under Section 11.13 and the appraised
24 or market value, as applicable, of the property is more than
25 \$500,000, as determined by the order;

26 (C) \$450, if the property does not qualify as the
27 owner's residence homestead under Section 11.13 and the appraised

1 or market value, as applicable, of the property is \$1 million or
2 less, as determined by the order;

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

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

12 (F) \$1,500, if the property does not qualify as
13 the owner's residence homestead under Section 11.13 and the
14 appraised or market value, as applicable, of the property is more
15 than \$3 million but not more than \$5 million, as determined by the
16 order.

17 SECTION 57. Sections 41A.061(b) and (c), Tax Code, are
18 amended to read as follows:

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

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

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

25 (3) during the preceding two years have completed at
26 least eight hours of continuing education in arbitration and
27 alternative dispute resolution procedures offered by a university,

1 college, real estate trade association, or legal association; and

2 (4) complete a revised training program on property
3 tax law for the training and education of arbitrators established
4 under Section 5.043 not later than the 120th day after the date the
5 program is available to be taken if the comptroller:

6 (A) revises the program after the person is
7 included in the registry; and

8 (B) determines that the program is substantially
9 revised.

10 (c) The comptroller shall remove a person from the registry
11 if:

12 (1) the person fails or declines to renew the person's
13 agreement to serve as an arbitrator in the manner required by this
14 section; ~~or~~

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

19 (3) the person fails to complete a revised training
20 program on property tax law for the training and education of
21 arbitrators established under Section 5.043 not later than the
22 120th day after the date the program is available to be taken if the
23 comptroller:

24 (A) revises the program after the person is
25 included in the registry; and

26 (B) determines that the program is substantially
27 revised.

1 SECTION 58. Section 41A.07, Tax Code, is amended by
2 amending Subsections (e), (f), and (g) and adding Subsection (h) to
3 read as follows:

4 (e) To be eligible for appointment as an arbitrator under
5 this section [~~Subsection (a)~~], the arbitrator must reside[+
6 [~~(1) in the county in which the property that is the~~
7 ~~subject of the appeal is located; or~~
8 [~~(2)~~] in this state [~~if no available arbitrator on the~~
9 ~~registry resides in that county~~].

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

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

16 (2) served as an officer or employee of that appraisal
17 district; or

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

20 (g) The comptroller may not appoint an arbitrator under this
21 section [~~Subsection (a)~~] if the comptroller determines that there
22 is good cause not to appoint the arbitrator, including information
23 or evidence indicating repeated bias or misconduct by the person
24 while acting as an arbitrator.

25 (h) A property owner may request that, in appointing an
26 initial arbitrator under this section, the comptroller appoint an
27 arbitrator who resides in the county in which the property that is

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

13 SECTION 59. Section 41A.09(b), Tax Code, is amended to read
14 as follows:

15 (b) An award under this section:

16 (1) must include a determination of the appraised or
17 market value, as applicable, of the property that is the subject of
18 the appeal;

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

22 (3) shall specify the arbitrator's fee, which may not
23 exceed the amount provided by Section 41A.06(b)(4) [~~41A.06(b)(2)~~];

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

27 (5) may be enforced in the manner provided by

1 Subchapter D, Chapter 171, Civil Practice and Remedies Code.

2 SECTION 60. Section 45.105(e), Education Code, is amended
3 to read as follows:

4 (e) The governing body of an independent school district
5 that governs a junior college district under Subchapter B, Chapter
6 130, in a county with a population of more than two million may
7 dedicate a specific percentage of the local tax levy to the use of
8 the junior college district for facilities and equipment or for the
9 maintenance and operating expenses of the junior college district.
10 To be effective, the dedication must be made by the governing body
11 on or before the date on which the governing body adopts its tax
12 rate for a year. The amount of local tax funds derived from the
13 percentage of the local tax levy dedicated to a junior college
14 district from a tax levy may not exceed the amount that would be
15 levied by five percent of the no-new-revenue [~~effective~~] tax rate
16 for the tax year calculated as provided by Section 26.04, Tax Code,
17 on all property taxable by the school district. All real property
18 purchased with these funds is the property of the school district,
19 but is subject to the exclusive control of the governing body of the
20 junior college district for as long as the junior college district
21 uses the property for educational purposes.

22 SECTION 61. Section 403.302, Government Code, is amended by
23 adding Subsections (k) and (k-1) and amending Subsection (o) to
24 read as follows:

25 (k) If the comptroller determines in the final
26 certification of the study that the school district's local value
27 as determined by the appraisal district that appraises property for

1 the school district is not valid, the comptroller shall provide
2 notice of the comptroller's determination to the board of directors
3 of the appraisal district. The board of directors of the appraisal
4 district shall hold a public meeting to discuss the receipt of
5 notice under this subsection.

6 (k-1) If the comptroller determines in the final
7 certification of the study that the school district's local value
8 as determined by the appraisal district that appraises property for
9 the school district is not valid for three consecutive years, the
10 comptroller shall conduct an additional review of the appraisal
11 district under Section 5.102, Tax Code, and provide recommendations
12 to the appraisal district regarding appraisal standards,
13 procedures, and methodologies. The comptroller may contract with a
14 third party to assist the comptroller in conducting the additional
15 review and providing the recommendations required under this
16 subsection. If the appraisal district fails to comply with the
17 recommendations provided under this subsection and the comptroller
18 finds that the board of directors of the appraisal district failed
19 to take remedial action reasonably designed to ensure substantial
20 compliance with each recommendation before the first anniversary of
21 the date the recommendations were made, the comptroller shall
22 notify the Texas Department of Licensing and Regulation, or a
23 successor to the department, which shall take action necessary to
24 ensure that the recommendations are implemented as soon as
25 practicable. Before February 1 of the year following the year in
26 which the Texas Department of Licensing and Regulation, or a
27 successor to the department, takes action under this subsection,

1 the department, with the assistance of the comptroller, shall
2 determine whether the recommendations have been substantially
3 implemented and notify the chief appraiser and the board of
4 directors of the appraisal district of the determination. If the
5 department determines that the recommendations have not been
6 substantially implemented, the board of directors of the appraisal
7 district must, within three months of the determination, consider
8 whether the failure to implement the recommendations was under the
9 current chief appraiser's control and whether the chief appraiser
10 is able to adequately perform the chief appraiser's duties.

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

15 SECTION 62. Section 102.007(d), Local Government Code, is
16 amended to read as follows:

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

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

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

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

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

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

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

18 (A) the property tax rate;

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

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

22 (D) the rollback tax rate; and

23 (E) the debt rate; and

24 (4) the total amount of municipal debt obligations.

25 SECTION 63. Section 111.008(d), Local Government Code, is
26 amended to read as follows:

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

1 includes:

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

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

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

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

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

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

- 1 (A) the property tax rate;
- 2 (B) the no-new-revenue [~~effective~~] tax rate;
- 3 (C) the no-new-revenue [~~effective~~] maintenance
4 and operations tax rate;
- 5 (D) the rollback tax rate; and
- 6 (E) the debt rate; and
- 7 (4) the total amount of county debt obligations.

8 SECTION 64. Section [111.039\(d\)](#), Local Government Code, is
9 amended to read as follows:

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

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

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

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

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

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

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

11 (A) the property tax rate;

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

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

15 (D) the rollback tax rate; and

16 (E) the debt rate; and

17 (4) the total amount of county debt obligations.

18 SECTION 65. Section [111.068\(c\)](#), Local Government Code, is
19 amended to read as follows:

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

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

24 (A) "This budget will raise more revenue from
25 property taxes than last year's budget by an amount of (insert total
26 dollar amount of increase), which is a (insert percentage increase)
27 percent increase from last year's budget. The property tax revenue

1 to be raised from new property added to the tax roll this year is
2 (insert amount computed by multiplying the proposed tax rate by the
3 value of new property added to the roll).";

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

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

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

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

21 (A) the property tax rate;

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

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

25 (D) the rollback tax rate; and

26 (E) the debt rate; and

27 (4) the total amount of county debt obligations.

1 SECTION 66. Section 1101.254(f), Special District Local
2 Laws Code, is amended to read as follows:

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

9 SECTION 67. Sections 1122.2522 and 8876.152, Special
10 District Local Laws Code, are amended to read as follows:

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

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

21 Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS.

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

24 (b) Sections 49.236(a)(1) and (2) and (b) [~~Section 49.236~~],
25 Water Code, apply [~~as added by Chapter 248 (H.B. 1541), Acts of the~~
26 ~~78th Legislature, Regular Session, 2003, applies~~] to the district.

27 SECTION 68. Section 49.107(g), Water Code, is amended to

1 read as follows:

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

6 SECTION 69. Section 49.108(f), Water Code, is amended to
7 read as follows:

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

11 SECTION 70. Section 49.236, Water Code, as added by Chapter
12 335 (S.B. 392), Acts of the 78th Legislature, Regular Session,
13 2003, is amended by amending Subsections (a) and (d) and adding
14 Subsections (e), (f), and (g) to read as follows:

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

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

22 "NOTICE OF PUBLIC HEARING ON TAX RATE

23 "The (name of the district) will hold a public hearing on a
24 proposed tax rate for the tax year (year of tax levy) on (date and
25 time) at (meeting place). Your individual taxes may increase at a
26 greater or lesser rate, or even decrease, depending on the tax rate
27 that is adopted and on the change in the taxable value of your

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

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

9 (2) contain the following information:

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

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

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

26 (D) the amount of tax that would have been
27 imposed by the district in the preceding year on a residence

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

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

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

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

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

23 (A) if the district is a special taxing unit:

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 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." or

4 (B) if the district is a taxing unit other than a
5 special taxing unit:

6 "NOTICE OF VOTE ON TAX RATE

7 "If operation and maintenance taxes on the average residence
8 homestead increase by more than 3.5 percent, an election must be
9 held to determine whether to approve the operation and maintenance
10 tax rate under Section 49.236(e), Water Code, unless the de minimis
11 rate exceeds the rollback tax rate and the proposed tax rate is
12 lower than the de minimis rate."

13 (d) This subsection applies only to a district that is a
14 special taxing unit. If the governing body of the [a] district
15 adopts a combined debt service, operation and maintenance, and
16 contract tax rate that exceeds the rollback tax rate, [would impose
17 more than 1.08 times the amount of tax imposed by the district in
18 the preceding year on a residence homestead appraised at the
19 average appraised value of a residence homestead in the district in
20 that year, disregarding any homestead exemption available only to
21 disabled persons or persons 65 years of age or older, the qualified
22 voters of the district by petition may require that] an election
23 must be held to determine whether [~~or not~~] to approve [~~reduce~~] the
24 tax rate adopted for the current year [~~to the rollback tax rate~~] in
25 accordance with the procedures provided by Sections 26.07(b)-(g)
26 [~~and 26.081~~], Tax Code. For purposes of Sections 26.07(b)-(g), Tax
27 Code, and this subsection, the rollback tax rate is the sum of the

1 following tax rates:

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

3 (2) the current year's ~~and~~ contract tax rate; and

4 (3) ~~rates plus~~ the operation and maintenance tax
5 rate that would impose 1.08 times the amount of the operation and
6 maintenance tax imposed by the district in the preceding year on a
7 residence homestead appraised at the average appraised value of a
8 residence homestead in the district in that year, disregarding any
9 homestead exemption available only to disabled persons or persons
10 65 years of age or older.

11 (e) This subsection applies only to a district that is a
12 taxing unit other than a special taxing unit. If the governing body
13 of the district adopts a combined debt service, operation and
14 maintenance, and contract tax rate that exceeds the greater of the
15 rollback tax rate or de minimis rate, an election must be held to
16 determine whether to approve the tax rate adopted for the current
17 year in accordance with the procedures provided by Sections
18 26.07(b)-(g), Tax Code. For purposes of Sections 26.07(b)-(g), Tax
19 Code, and this subsection, the rollback tax rate is the sum of the
20 following tax rates:

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

22 (2) the current year's contract tax rate;

23 (3) the operation and maintenance tax rate that would
24 impose 1.035 times the amount of the operation and maintenance tax
25 imposed by the district in the preceding year on a residence
26 homestead appraised at the average appraised value of a residence
27 homestead in the district in that year, disregarding any homestead

1 exemption available only to disabled persons or persons 65 years of
2 age or older; and

3 (4) the district's unused increment rate.

4 (f) Notwithstanding any other provision of this section,
5 the board of a district that is a taxing unit other than a special
6 taxing unit may give notice under Subsection (a) and calculate the
7 rollback tax rate of the district in the manner provided for a
8 district that is a special taxing unit if any part of the district
9 is located in an area declared a disaster area during the current
10 tax year by the governor or by the president of the United States.
11 The board may continue doing so until the earlier of:

12 (1) the first tax year in which the total taxable value
13 of property taxable by the district as shown on the appraisal roll
14 for the district submitted by the assessor for the district to the
15 board exceeds the total taxable value of property taxable by the
16 district on January 1 of the tax year in which the disaster
17 occurred; or

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

20 (g) In this section:

21 (1) "De minimis rate" and "special taxing unit" have
22 the meanings assigned by Section 26.012, Tax Code.

23 (2) "Taxing unit" has the meaning assigned by Section
24 1.04, Tax Code.

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

27 SECTION 71. The following provisions are repealed:

- 1 (1) Sections 403.302(m-1) and (n), Government Code;
- 2 (2) Section 140.010, Local Government Code;
- 3 (3) Section 1063.255, Special District Local Laws
4 Code;
- 5 (4) Sections 5.103(e) and (f), 6.412(e), 22.23(c), and
6 41A.06(c), Tax Code;
- 7 (5) Section 49.236, Water Code, as added by Chapter
8 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session,
9 2003; and
- 10 (6) Section 49.2361, Water Code.

11 SECTION 72. Section 5.041, Tax Code, as amended by this Act,
12 applies only to an appraisal review board member appointed to serve
13 a term of office that begins on or after January 1, 2020.

14 SECTION 73. The comptroller of public accounts shall
15 implement Section 5.043, Tax Code, as added by this Act, as soon as
16 practicable after January 1, 2020.

17 SECTION 74. Sections 5.05, 5.102, 5.13, and 23.01, Tax
18 Code, as amended by this Act, apply only to the appraisal of
19 property for ad valorem tax purposes for a tax year beginning on or
20 after January 1, 2020.

21 SECTION 75. (a) The comptroller of public accounts shall
22 comply with Sections 5.07(f), (g), (h), and (i), Tax Code, as added
23 by this Act, as soon as practicable after January 1, 2020.

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

- 26 (1) January 1, 2022, with regard to tax rate
27 information related to a taxing unit located wholly or partly in a

1 county with a population of 120,000 or more; and

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

5 SECTION 76. Section 5.09, Tax Code, as amended by this Act,
6 applies only to information submitted to the comptroller of public
7 accounts that relates to a tax year beginning on or after January 1,
8 2020.

9 SECTION 77. The comptroller of public accounts shall
10 prepare and make available the survey and instructions for
11 completing and submitting the survey required by Section 5.104, Tax
12 Code, as added by this Act, as soon as practicable after January 1,
13 2020. An appraisal district is not required to provide the survey
14 or instructions under a requirement of that section until the
15 survey and instructions are prepared and made available by the
16 comptroller of public accounts.

17 SECTION 78. Section 6.41(d-9), Tax Code, as amended by this
18 Act, applies only to the appointment of appraisal review board
19 members to terms beginning on or after January 1, 2021.

20 SECTION 79. Section 6.412, Tax Code, as amended by this Act,
21 does not affect the eligibility of a person serving on an appraisal
22 review board immediately before January 1, 2020, to continue to
23 serve on the board for the term to which the member was appointed.

24 SECTION 80. Section 6.42(d), Tax Code, as added by this Act,
25 applies only to a recommendation, determination, decision, or other
26 action by an appraisal review board or a panel of such a board on or
27 after January 1, 2020. A recommendation, determination, decision,

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

5 SECTION 81. Section 22.23(d), Tax Code, as amended by this
6 Act, applies only to ad valorem taxes imposed for a tax year
7 beginning on or after January 1, 2020.

8 SECTION 82. (a) An appraisal district established in a
9 county with a population of 120,000 or more and each taxing unit
10 located wholly or partly in such an appraisal district shall comply
11 with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18,
12 Tax Code, as added by this Act, beginning with the 2021 tax year.

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

18 SECTION 83. (a) Not later than the 30th day after the date
19 this section takes effect:

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

26 (2) the county assessor-collector for each county
27 shall post the worksheets submitted to the county

1 assessor-collector under Subdivision (1) of this subsection on the
2 Internet website of the county.

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

9 SECTION 84. A taxing unit that does not own, operate, or
10 control an Internet website is not required to comply with Sections
11 26.05(b)(2) and 26.065(b), Tax Code, as amended by this Act, until
12 the first tax year in which the taxing unit is required by law to
13 maintain or have access to an Internet website.

14 SECTION 85. Section 41.03(a), Tax Code, as amended by this
15 Act, applies only to a challenge under Chapter 41, Tax Code, for
16 which a challenge petition is filed on or after January 1, 2020. A
17 challenge under Chapter 41, Tax Code, for which a challenge
18 petition was filed before January 1, 2020, is governed by the law in
19 effect on the date the challenge petition was filed, and the former
20 law is continued in effect for that purpose.

21 SECTION 86. Sections 41.45 and 41.66(k), Tax Code, as
22 amended by this Act, and Section 41.66(k-1), Tax Code, as added by
23 this Act, apply only to a protest filed under Chapter 41, Tax Code,
24 on or after January 1, 2021. A protest filed under that chapter
25 before January 1, 2021, is governed by the law in effect on the date
26 the protest was filed, and the former law is continued in effect for
27 that purpose.

1 SECTION 87. Sections 41.46, 41.461, 41.47, 41.66(h), (i),
2 and (j), and 41.67, Tax Code, as amended by this Act, and Sections
3 41.66(j-1) and (p), Tax Code, as added by this Act, apply only to a
4 protest for which the notice of protest was filed by a property
5 owner or the designated agent of the owner with the appraisal review
6 board established for an appraisal district on or after January 1,
7 2020.

8 SECTION 88. Section 41.71, Tax Code, as amended by this Act,
9 applies only to a hearing on a protest under Chapter 41, Tax Code,
10 that is scheduled on or after January 1, 2020. A hearing on a
11 protest under Chapter 41, Tax Code, that is scheduled before
12 January 1, 2020, is governed by the law in effect on the date the
13 hearing was scheduled, and that law is continued in effect for that
14 purpose.

15 SECTION 89. Section 41A.07, Tax Code, as amended by this
16 Act, applies only to a request for binding arbitration received by
17 the comptroller of public accounts from an appraisal district on or
18 after January 1, 2020.

19 SECTION 90. (a) A person who immediately before January 1,
20 2020, serves as an arbitrator in binding arbitrations of appeals of
21 appraisal review board orders must meet the requirements of Section
22 41A.06(b)(3), Tax Code, as added by this Act, not later than the
23 120th day after the date the comptroller of public accounts begins
24 to provide the training required under Section 5.043, Tax Code, as
25 added by this Act.

26 (b) This Act does not prohibit a person who is serving as an
27 arbitrator on January 1, 2020, from renewing the person's agreement

1 with the comptroller of public accounts to serve as an arbitrator if
2 the person has the qualifications required for an arbitrator under
3 the Tax Code as amended by this Act.

4 SECTION 91. The first tax year that may be considered for
5 purposes of the condition to the applicability of Section
6 403.302(k-1), Government Code, as added by this Act, that the
7 comptroller of public accounts has determined in a study under
8 Section 403.302 of that code that a school district's local value as
9 determined by the appraisal district that appraises property for
10 the school district is not valid for three consecutive years is the
11 2020 tax year.

12 SECTION 92. (a) Not later than the 30th day after the date
13 this section takes effect, the comptroller of public accounts shall
14 provide a written notice to each appraisal district of:

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

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

21 (b) As soon as practicable after receipt of the notice
22 provided by the comptroller of public accounts under Subsection (a)
23 of this section, the chief appraiser of an appraisal district shall
24 forward the notice to each assessor for a taxing unit located in the
25 appraisal district.

26 (c) This section takes effect immediately if this Act
27 receives a vote of two-thirds of all the members elected to each

1 house, as provided by Section 39, Article III, Texas Constitution.
2 If this Act does not receive the vote necessary for immediate
3 effect, this section takes effect on the 91st day after the last day
4 of the legislative session.

5 SECTION 93. This Act takes effect only if H.B. 3, 86th
6 Legislature, Regular Session, 2019, becomes law. If H.B. 3, 86th
7 Legislature, Regular Session, 2019, does not become law, this Act
8 has no effect.

9 SECTION 94. (a) Except as otherwise provided by this Act,
10 this Act takes effect January 1, 2020.

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

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

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

16 (3) Section 6.414(d), Tax Code, as amended by this
17 Act;

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

19 (5) Section 41.44(d), Tax Code, as amended by this
20 Act;

21 (6) Section 41.45(d), Tax Code, as amended by this
22 Act;

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

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

27 (9) Section 41.66(k-1), Tax Code, as added by this

1 Act.

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

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

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

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

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

11 (5) Section 26.05(e), Tax Code, as amended by this
12 Act.

13 (d) Sections 25.19(b) and (i), Tax Code, as amended by this
14 Act, take effect January 1, 2022.