

1-1 By: Bettencourt, et al. S.B. No. 2
 1-2 (In the Senate - Filed January 31, 2019; February 1, 2019,
 1-3 read first time and referred to Committee on Property Tax;
 1-4 February 14, 2019, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 4, Nays 0, 1 present not
 1-6 voting; February 14, 2019, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Bettencourt	X			
1-9 Paxton	X			
1-10 Creighton	X			
1-11 Hancock	X			
1-12 Hinojosa				X

1-14 COMMITTEE SUBSTITUTE FOR S.B. No. 2 By: Bettencourt

1-15 A BILL TO BE ENTITLED
 1-16 AN ACT

1-17 relating to ad valorem taxation.

1-18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-19 SECTION 1. This Act may be cited as the Texas Property Tax
 1-20 Reform and Relief Act of 2019.

1-21 SECTION 2. Section 1.085(a), Tax Code, is amended to read as
 1-22 follows:

1-23 (a) Notwithstanding any other provision in this title and
 1-24 except as provided by this section, any notice, rendition,
 1-25 application form, or completed application, or information
 1-26 requested under Section 41.461(a)(2), that is required or permitted
 1-27 by this title to be delivered between a chief appraiser, an
 1-28 appraisal district, an appraisal review board, or any combination
 1-29 of those persons and a property owner or [~~between a chief appraiser,
 1-30 an appraisal district, an appraisal review board, or any
 1-31 combination of those persons and~~] a person designated by a property
 1-32 owner under Section 1.111(f) may be delivered in an electronic
 1-33 format if the chief appraiser and the property owner or person
 1-34 designated by the owner agree under this section.

1-35 SECTION 3. Chapter 5, Tax Code, is amended by adding Section
 1-36 5.01 to read as follows:

1-37 Sec. 5.01. PROPERTY TAX ADMINISTRATION ADVISORY BOARD.

1-38 (a) The comptroller shall appoint the property tax administration
 1-39 advisory board to advise the comptroller with respect to the
 1-40 division or divisions within the office of the comptroller with
 1-41 primary responsibility for state administration of property
 1-42 taxation and state oversight of appraisal districts and local tax
 1-43 offices. The advisory board may make recommendations to the
 1-44 comptroller regarding improving the effectiveness and efficiency
 1-45 of the property tax system, best practices, and complaint
 1-46 resolution procedures.

1-47 (b) The advisory board is composed of at least six members
 1-48 appointed by the comptroller. The members of the board should
 1-49 include:

1-50 (1) representatives of property tax payers, appraisal
 1-51 districts, and school districts; and

1-52 (2) a person who has knowledge or experience in
 1-53 conducting ratio studies.

1-54 (c) The members of the advisory board serve at the pleasure
 1-55 of the comptroller.

1-56 (d) Any advice to the comptroller relating to a matter
 1-57 described by Subsection (a) that is provided by a member of the
 1-58 advisory board must be provided at a meeting called by the
 1-59 comptroller.

1-60 (e) Chapter 2110, Government Code, does not apply to the

2-1 advisory board.

2-2 SECTION 4. Sections 5.041(b), (c), and (e-1), Tax Code, are
2-3 amended to read as follows:

2-4 (b) A member of the appraisal review board established for
2-5 an appraisal district must complete the course established under
2-6 Subsection (a). The course must provide at least 16 hours of
2-7 classroom training and education or, for a member appointed by the
2-8 chairman of the appraisal review board to serve on a special panel
2-9 under Section 6.425, 24 hours of classroom training and education.
2-10 A member of the appraisal review board may not participate in a
2-11 hearing conducted by the board unless the person has completed the
2-12 course established under Subsection (a) and received a certificate
2-13 of course completion.

2-14 (c) The comptroller may contract with service providers to
2-15 assist with the duties imposed under Subsection (a), but the course
2-16 required may not be provided by an appraisal district, the chief
2-17 appraiser or another employee of an appraisal district, a member of
2-18 the board of directors of an appraisal district, a member of an
2-19 appraisal review board, or a taxing unit. The comptroller may
2-20 assess a fee to recover a portion of the costs incurred for the
2-21 training course, but the fee may not exceed \$50 per person trained.
2-22 If the training is provided to an individual other than a member of
2-23 an appraisal review board, the comptroller may assess a fee not to
2-24 exceed \$50 per person trained.

2-25 (e-1) In addition to the course established under
2-26 Subsection (a), the comptroller shall approve curricula and provide
2-27 materials for use in a continuing education course for members of an
2-28 appraisal review board. The course must provide at least eight
2-29 hours of classroom training and education or, for a member
2-30 appointed by the chairman of the appraisal review board to serve on
2-31 a special panel under Section 6.425, 16 hours of classroom training
2-32 and education. The curricula and materials must include
2-33 information regarding:

2-34 (1) the cost, income, and market data comparison
2-35 methods of appraising property;

2-36 (2) the appraisal of business personal property;

2-37 (3) the determination of capitalization rates for
2-38 property appraisal purposes;

2-39 (4) the duties of an appraisal review board;

2-40 (5) the requirements regarding the independence of an
2-41 appraisal review board from the board of directors and the chief
2-42 appraiser and other employees of the appraisal district;

2-43 (6) the prohibitions against ex parte communications
2-44 applicable to appraisal review board members;

2-45 (7) the Uniform Standards of Professional Appraisal
2-46 Practice;

2-47 (8) the duty of the appraisal district to substantiate
2-48 the district's determination of the value of property;

2-49 (9) the requirements regarding the equal and uniform
2-50 appraisal of property;

2-51 (10) the right of a property owner to protest the
2-52 appraisal of the property as provided by Chapter 41; and

2-53 (11) a detailed explanation of each of the actions
2-54 described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413,
2-55 41.42, and 41.43 so that members are fully aware of each of the
2-56 grounds on which a property appraisal can be appealed.

2-57 SECTION 5. Chapter 5, Tax Code, is amended by adding Section
2-58 5.043 to read as follows:

2-59 Sec. 5.043. TRAINING OF ARBITRATORS. (a) This section
2-60 applies only to persons who have agreed to serve as arbitrators
2-61 under Chapter 41A.

2-62 (b) The comptroller shall:

2-63 (1) approve curricula and provide an arbitration
2-64 manual and other materials for use in training and educating
2-65 arbitrators;

2-66 (2) make all materials for use in training and
2-67 educating arbitrators freely available online; and

2-68 (3) establish and supervise a training program on
2-69 property tax law for the training and education of arbitrators.

3-1 (c) The training program must:
 3-2 (1) emphasize the requirements regarding the equal and
 3-3 uniform appraisal of property; and

3-4 (2) be at least four hours in length.

3-5 (d) The training program may be provided online. The
 3-6 comptroller by rule may prescribe the manner by which the
 3-7 comptroller may verify that a person taking the training program
 3-8 online has taken and completed the program.

3-9 (e) The comptroller may contract with service providers to
 3-10 assist with the duties imposed under Subsection (b), but the
 3-11 training program may not be provided by an appraisal district, the
 3-12 chief appraiser or another employee of an appraisal district, a
 3-13 member of the board of directors of an appraisal district, a member
 3-14 of an appraisal review board, or a taxing unit. The comptroller may
 3-15 assess a fee to recover a portion of the costs incurred for the
 3-16 training program, but the fee may not exceed \$50 for each person
 3-17 trained.

3-18 (f) The comptroller shall prepare an arbitration manual for
 3-19 use in the training program. The manual shall be updated regularly
 3-20 and may be revised on request, in writing, to the comptroller. The
 3-21 revised language must be approved by the unanimous agreement of a
 3-22 committee selected by the comptroller and representing, equally,
 3-23 taxpayers and chief appraisers. The person requesting the revision
 3-24 must pay the costs of mediation if the comptroller determines that
 3-25 mediation is required.

3-26 SECTION 6. Section 5.05, Tax Code, is amended by adding
 3-27 Subsection (c-1) to read as follows:

3-28 (c-1) An appraisal district shall appraise property in
 3-29 accordance with any appraisal manuals required by law to be
 3-30 prepared and issued by the comptroller.

3-31 SECTION 7. Section 5.07, Tax Code, is amended by adding
 3-32 Subsections (f), (g), (h), and (i) to read as follows:

3-33 (f) The comptroller shall prescribe tax rate calculation
 3-34 forms to be used by the designated officer or employee of each:

3-35 (1) taxing unit other than a school district to
 3-36 calculate and submit the no-new-revenue tax rate and the
 3-37 voter-approved tax rate for the taxing unit as required by Chapter
 3-38 26; and

3-39 (2) school district to calculate and submit the
 3-40 no-new-revenue tax rate, the voter-approved tax rate, and the rate
 3-41 to maintain the same amount of state and local revenue per weighted
 3-42 student that the district received in the school year beginning in
 3-43 the preceding tax year as required by Chapter 26.

3-44 (g) The forms described by Subsection (f) must be in an
 3-45 electronic format and:

3-46 (1) have blanks that can be filled in electronically;
 3-47 (2) be capable of being certified by the designated
 3-48 officer or employee after completion as accurately calculating the
 3-49 applicable tax rates and using values that are the same as the
 3-50 values shown in the taxing unit's certified appraisal roll; and

3-51 (3) be capable of being electronically incorporated
 3-52 into the property tax database maintained by each appraisal
 3-53 district under Section 26.17 and submitted electronically to the
 3-54 county assessor-collector of each county in which all or part of the
 3-55 territory of the taxing unit is located.

3-56 (h) For purposes of Subsections (f) and (g), the comptroller
 3-57 shall use the forms published on the comptroller's Internet website
 3-58 as of January 1, 2019, modified as necessary to comply with the
 3-59 requirements of those subsections. The comptroller shall update
 3-60 the forms as necessary to reflect any change in the values used to
 3-61 calculate a tax rate resulting from a statutory change in a value
 3-62 used to calculate a tax rate. The comptroller may also update the
 3-63 forms to reflect formatting or other nonsubstantive changes.

3-64 (i) The comptroller may revise the forms to reflect
 3-65 statutory changes other than those described by Subsection (h) or
 3-66 on receipt of a request in writing. A revision under this
 3-67 subsection must be approved by the agreement of a majority of the
 3-68 members of a committee selected by the comptroller who are present
 3-69 at a committee meeting at which a quorum is present. The members of

4-1 the committee must represent, equally, taxpayers and either taxing
 4-2 units or persons designated by taxing units. In the case of a
 4-3 revision for which the comptroller receives a request in writing,
 4-4 the person requesting the revision shall pay the costs of mediation
 4-5 if the comptroller determines that mediation is required.

4-6 SECTION 8. Section 5.091, Tax Code, is amended to read as
 4-7 follows:

4-8 Sec. 5.091. STATEWIDE LIST OF TAX RATES. (a) Each year the
 4-9 comptroller shall prepare a list that includes the total tax rate
 4-10 imposed by each taxing unit in this state, as [other than a school
 4-11 district, if the tax rate is] reported to the comptroller by each
 4-12 appraisal district, for the year [preceding the year] in which the
 4-13 list is prepared. The comptroller shall:

4-14 (1) prescribe the manner in which and deadline by
 4-15 which appraisal districts are required to submit the tax rates to
 4-16 the comptroller; and

4-17 (2) list the tax rates alphabetically according to:
 4-18 (A) the county or counties in which each taxing
 4-19 unit is located; and

4-20 (B) the name of each taxing unit [in descending
 4-21 order].

4-22 (b) Not later than January 1 [December 31] of the following
 4-23 [each] year, the comptroller shall publish on the comptroller's
 4-24 Internet website the list required by Subsection (a).

4-25 SECTION 9. Sections 5.102(a) and (c), Tax Code, are amended
 4-26 to read as follows:

4-27 (a) At least once every two years, the comptroller shall
 4-28 review the governance of each appraisal district, the taxpayer
 4-29 assistance provided by each appraisal district, and the operating
 4-30 and appraisal standards, procedures, and methodology used by each
 4-31 appraisal district, to determine compliance with generally
 4-32 accepted standards, procedures, and methodology, including
 4-33 compliance with standards, procedures, and methodology prescribed
 4-34 by appraisal manuals prepared and issued by the comptroller. After
 4-35 consultation with the property tax administration advisory board
 4-36 [committee created under Section 403.302, Government Code], the
 4-37 comptroller by rule may establish procedures and standards for
 4-38 conducting and scoring the review.

4-39 (c) At the conclusion of the review, the comptroller shall,
 4-40 in writing, notify the appraisal district concerning its
 4-41 performance in the review. If the review results in a finding that
 4-42 an appraisal district is not in compliance with generally accepted
 4-43 standards, procedures, and methodology, including compliance with
 4-44 standards, procedures, and methodology prescribed by appraisal
 4-45 manuals prepared and issued by the comptroller, the comptroller
 4-46 shall deliver a report that details the comptroller's findings and
 4-47 recommendations for improvement to:

4-48 (1) the appraisal district's chief appraiser and board
 4-49 of directors; and

4-50 (2) the superintendent and board of trustees of each
 4-51 school district participating in the appraisal district.

4-52 SECTION 10. Chapter 5, Tax Code, is amended by adding
 4-53 Section 5.104 to read as follows:

4-54 Sec. 5.104. APPRAISAL REVIEW BOARD SURVEY; REPORT.

4-55 (a) The comptroller shall prepare:

4-56 (1) an appraisal review board survey form that allows
 4-57 an individual described by Subsection (b) to submit comments and
 4-58 suggestions to the comptroller regarding an appraisal review board;
 4-59 and

4-60 (2) instructions for completing and submitting the
 4-61 form.

4-62 (b) The following individuals may complete and submit a
 4-63 survey form under this section:

4-64 (1) a property owner who files a motion under Section
 4-65 25.25 to correct the appraisal roll or a protest under Chapter 41;

4-66 (2) the designated agent of the property owner; or

4-67 (3) a designated representative of the appraisal
 4-68 district in which the motion or protest is filed who attends the
 4-69 hearing on the motion or protest.

5-1 (c) The survey form must allow an individual to submit
 5-2 comments and suggestions regarding:

5-3 (1) the matters listed in Section 5.103(b); and
 5-4 (2) any other matter related to the fairness and
 5-5 efficiency of the appraisal review board.

5-6 (d) An appraisal district must provide the survey form and
 5-7 the instructions for completing and submitting the form to each
 5-8 property owner or designated agent of the owner at or before each
 5-9 hearing conducted under Section 25.25 or Chapter 41 by the
 5-10 appraisal review board established for the appraisal district or by
 5-11 a panel of the board.

5-12 (e) An individual who elects to submit the survey form must
 5-13 submit the form to the comptroller as provided by this section. An
 5-14 appraisal district may not accept a survey form submitted under
 5-15 this section. An individual may submit only one survey form for
 5-16 each motion or protest.

5-17 (f) The comptroller shall allow an individual to submit a
 5-18 survey form to the comptroller in the following manner:

5-19 (1) in person;
 5-20 (2) by mail;
 5-21 (3) by electronic mail; or
 5-22 (4) through a web page on the comptroller's Internet
 5-23 website that allows the individual to complete and submit the form.

5-24 (g) An appraisal district may not require a property owner
 5-25 or the designated agent of the owner to complete a survey form at
 5-26 the appraisal office in order to be permitted to submit the form to
 5-27 the comptroller.

5-28 (h) A property owner, the designated agent of the owner, or
 5-29 a designated representative of an appraisal district who elects to
 5-30 submit a survey form must submit the form not later than the 45th
 5-31 day after the date the form is provided to the owner or agent under
 5-32 Subsection (d).

5-33 (i) The comptroller shall issue an annual report that
 5-34 summarizes the information included in the survey forms submitted
 5-35 during the preceding year. The report may not disclose the identity
 5-36 of an individual who submitted a survey form.

5-37 (j) The comptroller may adopt rules necessary to implement
 5-38 this section.

5-39 SECTION 11. Section 5.13(d), Tax Code, is amended to read as
 5-40 follows:

5-41 (d) In conducting a general audit, the comptroller shall
 5-42 consider and report on:

5-43 (1) the extent to which the district complies with
 5-44 applicable law or generally accepted standards of appraisal or
 5-45 other relevant practice, including appraisal standards and
 5-46 practices prescribed by appraisal manuals prepared and issued by
 5-47 the comptroller;

5-48 (2) the uniformity and level of appraisal of major
 5-49 kinds of property and the cause of any significant deviations from
 5-50 ideal uniformity and equality of appraisal of major kinds of
 5-51 property;

5-52 (3) duplication of effort and efficiency of operation;

5-53 (4) the general efficiency, quality of service, and
 5-54 qualification of appraisal district personnel; and

5-55 (5) except as otherwise provided by Subsection (b) [~~of~~
 5-56 ~~this section~~], any other matter included in the request for the
 5-57 audit.

5-58 SECTION 12. Section 6.035(a-1), Tax Code, is amended to
 5-59 read as follows:

5-60 (a-1) An individual is ineligible to serve on an appraisal
 5-61 district board of directors if the individual has engaged in the
 5-62 business of appraising property for compensation for use in
 5-63 proceedings under this title or of representing property owners for
 5-64 compensation in proceedings under this title in the appraisal
 5-65 district at any time during the preceding ~~three~~ three [~~five~~] years.

5-66 SECTION 13. Section 6.15, Tax Code, is amended by adding
 5-67 Subsection (c-1) to read as follows:

5-68 (c-1) Subsections (a) and (b) do not prohibit a member of
 5-69 the board of directors of an appraisal district from transmitting

6-1 to the chief appraiser without comment a complaint by a property
 6-2 owner or taxing unit about the appraisal of a specific property,
 6-3 provided that the transmission is in writing.

6-4 SECTION 14. Section 6.41, Tax Code, is amended by amending
 6-5 Subsections (b) and (d-9) and adding Subsections (b-1), (b-2), and
 6-6 (d-10) to read as follows:

6-7 (b) Except as provided by Subsection (b-1) or (b-2), an
 6-8 appraisal review ~~[The]~~ board consists of three members.

6-9 (b-1) An appraisal ~~[However, the]~~ district board of
 6-10 directors by resolution of a majority of the board's ~~[its]~~ members
 6-11 may increase the size of the district's appraisal review board to
 6-12 the number of members the board of directors considers appropriate.

6-13 (b-2) An appraisal district board of directors for a
 6-14 district established in a county with a population of one million or
 6-15 more by resolution of a majority of the board's members shall
 6-16 increase the size of the district's appraisal review board to the
 6-17 number of members the board of directors considers appropriate to
 6-18 manage the duties of the appraisal review board, including the
 6-19 duties of each special panel established under Section 6.425.

6-20 (d-9) In selecting individuals who are to serve as members
 6-21 of the appraisal review board for an appraisal district described
 6-22 by Subsection (b-2), the local administrative district judge shall
 6-23 select an adequate number of qualified individuals to permit the
 6-24 chairman of the appraisal review board to fill the positions on each
 6-25 special panel established under Section 6.425.

6-26 (d-10) Upon selection of the individuals who are to serve as
 6-27 members of the appraisal review board, the local administrative
 6-28 district judge shall enter an appropriate order designating such
 6-29 members and setting each member's respective term of office, as
 6-30 provided elsewhere in this section.

6-31 SECTION 15. Sections 6.412(a) and (d), Tax Code, are
 6-32 amended to read as follows:

6-33 (a) An individual is ineligible to serve on an appraisal
 6-34 review board if the individual:

6-35 (1) is related within the second degree by
 6-36 consanguinity or affinity, as determined under Chapter 573,
 6-37 Government Code, to an individual who is engaged in the business of
 6-38 appraising property for compensation for use in proceedings under
 6-39 this title or of representing property owners for compensation in
 6-40 proceedings under this title in the appraisal district for which
 6-41 the appraisal review board is established;

6-42 (2) owns property on which delinquent taxes have been
 6-43 owed to a taxing unit for more than 60 days after the date the
 6-44 individual knew or should have known of the delinquency unless:

6-45 (A) the delinquent taxes and any penalties and
 6-46 interest are being paid under an installment payment agreement
 6-47 under Section 33.02; or

6-48 (B) a suit to collect the delinquent taxes is
 6-49 deferred or abated under Section 33.06 or 33.065; or

6-50 (3) is related within the third degree by
 6-51 consanguinity or within the second degree by affinity, as
 6-52 determined under Chapter 573, Government Code, to a member of:

6-53 (A) the appraisal district's board of directors;

6-54 or

6-55 (B) the appraisal review board.

6-56 (d) A person is ineligible to serve on the appraisal review
 6-57 board of an appraisal district established for a county described
 6-58 by Section 6.41(d-1) ~~[having a population of more than 100,000]~~ if
 6-59 the person:

6-60 (1) is a former member of the board of directors,
 6-61 former officer, or former employee of the appraisal district;

6-62 (2) served as a member of the governing body or officer
 6-63 of a taxing unit for which the appraisal district appraises
 6-64 property, until the fourth anniversary of the date the person
 6-65 ceased to be a member or officer; ~~[or]~~

6-66 (3) appeared before the appraisal review board for
 6-67 compensation during the two-year period preceding the date the
 6-68 person is appointed; or

6-69 (4) served for all or part of three previous terms as a

7-1 board member or auxiliary board member on the appraisal review
 7-2 board.

7-3 SECTION 16. Section 6.414(d), Tax Code, is amended to read
 7-4 as follows:

7-5 (d) An auxiliary board member may hear taxpayer protests
 7-6 before the appraisal review board. An auxiliary board member may
 7-7 not hear taxpayer protests before a special panel established under
 7-8 Section 6.425 unless the member is eligible to be appointed to the
 7-9 special panel. If one or more auxiliary board members sit on a
 7-10 panel established under Section 6.425 or 41.45 to conduct a protest
 7-11 hearing, the number of regular appraisal review board members
 7-12 required by that section to constitute the panel is reduced by the
 7-13 number of auxiliary board members sitting. An auxiliary board
 7-14 member sitting on a panel is considered a regular board member for
 7-15 all purposes related to the conduct of the hearing.

7-16 SECTION 17. Section 6.42, Tax Code, is amended by amending
 7-17 Subsection (a) and adding Subsection (d) to read as follows:

7-18 (a) A majority of the appraisal review board constitutes a
 7-19 quorum. The local administrative district judge under Subchapter
 7-20 D, Chapter 74, Government Code, in the county in which [board of
 7-21 directors of] the appraisal district is established [by resolution]
 7-22 shall select a chairman and a secretary from among the members of
 7-23 the appraisal review board. The judge [board of directors of the
 7-24 appraisal district] is encouraged to select as chairman [of the
 7-25 appraisal review board] a member of the appraisal review board, if
 7-26 any, who has a background in law and property appraisal.

7-27 (d) The concurrence of a majority of the members of the
 7-28 appraisal review board present at a meeting of the board is
 7-29 sufficient for a recommendation, determination, decision, or other
 7-30 action by the board. The concurrence of a majority of the members
 7-31 of a panel of the board present at a meeting of the panel is
 7-32 sufficient for a recommendation by the panel. The concurrence of
 7-33 more than a majority of the members of the board or panel may not be
 7-34 required.

7-35 SECTION 18. Subchapter C, Chapter 6, Tax Code, is amended by
 7-36 adding Section 6.425 to read as follows:

7-37 Sec. 6.425. SPECIAL APPRAISAL REVIEW BOARD PANELS IN
 7-38 CERTAIN DISTRICTS. (a) This section applies only to the appraisal
 7-39 review board for an appraisal district described by Section
 7-40 6.41(b-2).

7-41 (b) The appraisal review board shall establish special
 7-42 panels to conduct protest hearings under Chapter 41 relating to
 7-43 property that:

7-44 (1) has an appraised value of \$50 million or more as
 7-45 determined by the appraisal district; and

7-46 (2) is included in one of the following
 7-47 classifications:

7-48 (A) commercial real and personal property;

7-49 (B) real and personal property of utilities;

7-50 (C) industrial and manufacturing real and
 7-51 personal property; and

7-52 (D) multifamily residential real property.

7-53 (c) Each special panel described by this section consists of
 7-54 three members of the appraisal review board appointed by the
 7-55 chairman of the board.

7-56 (d) To be eligible to be appointed to a special panel
 7-57 described by this section, a member of the appraisal review board
 7-58 must:

7-59 (1) hold a juris doctor or equivalent degree;

7-60 (2) hold a master of business administration degree;

7-61 (3) be licensed as a certified public accountant under
 7-62 Chapter 901, Occupations Code;

7-63 (4) be accredited by the American Society of
 7-64 Appraisers as an accredited senior appraiser;

7-65 (5) possess an MAI professional designation from the
 7-66 Appraisal Institute;

7-67 (6) possess a Certified Assessment Evaluator (CAE)
 7-68 professional designation from the International Association of
 7-69 Assessing Officers;

8-1 (7) have at least 10 years of experience in property
 8-2 tax appraisal or consulting; or
 8-3 (8) be licensed as a real estate broker or sales agent
 8-4 under Chapter 1101, Occupations Code.

8-5 (e) Notwithstanding Subsection (d), the chairman of the
 8-6 appraisal review board may appoint to a special panel described by
 8-7 this section a member of the appraisal review board who does not
 8-8 meet the qualifications prescribed by that subsection if:

8-9 (1) the number of persons appointed to the board by the
 8-10 local administrative district judge who meet those qualifications
 8-11 is not sufficient to fill the positions on each special panel; and
 8-12 (2) the board member being appointed to the panel
 8-13 holds a bachelor's degree in any field.

8-14 (f) In addition to conducting protest hearings relating to
 8-15 property described by Subsection (b) of this section, a special
 8-16 panel may conduct protest hearings under Chapter 41 relating to
 8-17 property not described by Subsection (b) of this section as
 8-18 assigned by the chairman of the appraisal review board.

8-19 SECTION 19. Section 11.4391(a), Tax Code, is amended to
 8-20 read as follows:

8-21 (a) The chief appraiser shall accept and approve or deny an
 8-22 application for an exemption for freeport goods under Section
 8-23 11.251 after the deadline for filing it has passed if it is filed on
 8-24 or before the [not] later of:

8-25 (1) [~~than~~] June 15; or
 8-26 (2) if applicable, the 60th day after the date on which
 8-27 the chief appraiser delivers notice to the property owner under
 8-28 Section 22.22.

8-29 SECTION 20. Section 23.01, Tax Code, is amended by amending
 8-30 Subsection (b) and adding Subsection (h) to read as follows:

8-31 (b) The market value of property shall be determined by the
 8-32 application of generally accepted appraisal methods and
 8-33 techniques, including appraisal methods and techniques prescribed
 8-34 by appraisal manuals prepared and issued by the comptroller. If the
 8-35 appraisal district determines the appraised value of a property
 8-36 using mass appraisal standards, the mass appraisal standards must
 8-37 comply with the Uniform Standards of Professional Appraisal
 8-38 Practice. The same or similar appraisal methods and techniques
 8-39 shall be used in appraising the same or similar kinds of property.
 8-40 However, each property shall be appraised based upon the individual
 8-41 characteristics that affect the property's market value, and all
 8-42 available evidence that is specific to the value of the property
 8-43 shall be taken into account in determining the property's market
 8-44 value.

8-45 (h) Appraisal methods and techniques included in the most
 8-46 recent versions of the following are considered generally accepted
 8-47 appraisal methods and techniques for the purposes of this title:

8-48 (1) the Appraisal of Real Estate published by the
 8-49 Appraisal Institute;

8-50 (2) the Dictionary of Real Estate Appraisal published
 8-51 by the Appraisal Institute;

8-52 (3) the Uniform Standards of Professional Appraisal
 8-53 Practice published by The Appraisal Foundation;

8-54 (4) a publication of the International Association of
 8-55 Assessing Officers that includes information related to mass
 8-56 appraisal; and

8-57 (5) any other verifiable authority if none of the
 8-58 publications described by Subdivisions (1)-(4) includes a
 8-59 generally accepted appraisal methodology or technique applicable
 8-60 to the appraisal of one or more classes of property.

8-61 SECTION 21. Section 25.19, Tax Code, is amended by amending
 8-62 Subsections (b) and (i) and adding Subsections (b-3) and (b-4) to
 8-63 read as follows:

8-64 (b) The chief appraiser shall separate real from personal
 8-65 property and include in the notice for each:

8-66 (1) a list of the taxing units in which the property is
 8-67 taxable;

8-68 (2) the appraised value of the property in the
 8-69 preceding year;

9-1 (3) the taxable value of the property in the preceding
 9-2 year for each taxing unit taxing the property;

9-3 (4) the appraised value of the property for the
 9-4 current year, the kind and amount of each exemption and partial
 9-5 exemption, if any, approved for the property for the current year
 9-6 and for the preceding year, and, if an exemption or partial
 9-7 exemption that was approved for the preceding year was canceled or
 9-8 reduced for the current year, the amount of the exemption or partial
 9-9 exemption canceled or reduced;

9-10 (5) ~~[if the appraised value is greater than it was in~~
 9-11 ~~the preceding year, the amount of tax that would be imposed on the~~
 9-12 ~~property on the basis of the tax rate for the preceding year,~~
 9-13 ~~[(6)]~~ in italic typeface, the following statement:
 9-14 "The Texas Legislature does not set the amount of your local taxes.
 9-15 Your property tax burden is decided by your locally elected
 9-16 officials, and all inquiries concerning your taxes should be
 9-17 directed to those officials";

9-18 (6) ~~[(7)]~~ a detailed explanation of the time and
 9-19 procedure for protesting the value;

9-20 (7) ~~[(8)]~~ the date and place the appraisal review
 9-21 board will begin hearing protests; and

9-22 (8) ~~[(9)]~~ a brief explanation that the governing body
 9-23 of each taxing unit decides whether or not taxes on the property
 9-24 will increase and the appraisal district only determines the value
 9-25 of the property.

9-26 (b-3) This subsection applies only to an appraisal district
 9-27 described by Section 6.41(b-2). In addition to the information
 9-28 required by Subsection (b), the chief appraiser shall state in a
 9-29 notice of appraised value of property described by Section 6.425(b)
 9-30 that the property owner has the right to have a protest relating to
 9-31 the property heard by a special panel of the appraisal review board.

9-32 (b-4) Subsection (b)(5) applies only to a notice of
 9-33 appraised value required to be delivered by the chief appraiser of
 9-34 an appraisal district established in a county with a population of
 9-35 less than 120,000. This subsection expires January 1, 2022.

9-36 (i) Delivery with a notice required by Subsection (a) or (g)
 9-37 of a copy of the pamphlet published by the comptroller under Section
 9-38 5.06 or a copy of the notice published by the chief appraiser under
 9-39 Section 41.70 is sufficient to comply with the requirement that the
 9-40 notice include the information specified by Subsection (b)(6)
 9-41 ~~[(b)(7)]~~ or (g)(3), as applicable.

9-42 SECTION 22. Section 26.01, Tax Code, is amended by adding
 9-43 Subsection (a-1) to read as follows:
 9-44 (a-1) If by July 25 the appraisal review board for an
 9-45 appraisal district has not approved the appraisal records for the
 9-46 district as required under Section 41.12, the chief appraiser shall
 9-47 prepare and certify to the assessor for each taxing unit
 9-48 participating in the district an estimate of the taxable value of
 9-49 property in that taxing unit.

9-50 SECTION 23. Section 26.012(9), Tax Code, is redesignated as
 9-51 Section 26.012(18), Tax Code, and amended to read as follows:
 9-52 (18) "No-new-revenue [(9) "Effective] maintenance
 9-53 and operations rate" means a rate expressed in dollars per \$100 of
 9-54 taxable value and calculated according to the following formula:
 9-55 NO-NEW-REVENUE [EFFECTIVE] MAINTENANCE AND OPERATIONS
 9-56 RATE = (LAST YEAR'S LEVY - LAST YEAR'S DEBT LEVY - LAST
 9-57 YEAR'S JUNIOR COLLEGE LEVY) / (CURRENT TOTAL VALUE -
 9-58 NEW PROPERTY VALUE)

9-59 SECTION 24. Section 26.012, Tax Code, is amended by
 9-60 amending Subdivision (10) and adding Subdivision (19) to read as
 9-61 follows:
 9-62 (10) "Excess collections" means the amount, if any, by
 9-63 which debt taxes collected in the preceding year exceeded the
 9-64 amount anticipated in the preceding year's calculation of the
 9-65 voter-approved tax ~~[rollback]~~ rate, as certified by the collector
 9-66 under Section 26.04(b) ~~[of this code]~~.

9-67 (19) "Small taxing unit" means a taxing unit, other
 9-68 than a school district, for which the sum of the following amounts
 9-69 is \$15 million or less:

10-1 (A) the total amount of property taxes that would
 10-2 be imposed by the taxing unit for the current tax year if the tax
 10-3 rate proposed for that tax year were applied to the current total
 10-4 value for the taxing unit; and

10-5 (B) the total amount of sales and use tax revenue
 10-6 received by the taxing unit, if any, for the last preceding four
 10-7 quarters for which that information is available.

10-8 SECTION 25. The heading to Section 26.04, Tax Code, is
 10-9 amended to read as follows:

10-10 Sec. 26.04. SUBMISSION OF ROLL TO GOVERNING BODY;
 10-11 NO-NEW-REVENUE [~~EFFECTIVE~~] AND VOTER-APPROVED [~~ROLLBACK~~] TAX
 10-12 RATES.

10-13 SECTION 26. Section 26.04, Tax Code, is amended by amending
 10-14 Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and (j) and
 10-15 adding Subsections (c-1), (c-2), (d-1), (d-2), (d-3), (e-2), (e-3),
 10-16 (e-4), (e-5), (h-1), and (h-2) to read as follows:

10-17 (b) The assessor shall submit the appraisal roll for the
 10-18 taxing unit showing the total appraised, assessed, and taxable
 10-19 values of all property and the total taxable value of new property
 10-20 to the governing body of the taxing unit by August 1 or as soon
 10-21 thereafter as practicable. By August 1 or as soon thereafter as
 10-22 practicable, the taxing unit's collector shall certify [~~an estimate~~
 10-23 ~~of~~] the anticipated collection rate as calculated under Subsections
 10-24 (h), (h-1), and (h-2) for the current year to the governing body.
 10-25 If the collector certified an anticipated collection rate in the
 10-26 preceding year and the actual collection rate in that year exceeded
 10-27 the anticipated rate, the collector shall also certify the amount
 10-28 of debt taxes collected in excess of the anticipated amount in the
 10-29 preceding year.

10-30 (c) After the assessor for the taxing unit submits the
 10-31 appraisal roll for the taxing unit to the governing body of the
 10-32 taxing unit as required by Subsection (b), an [An] officer or
 10-33 employee designated by the governing body shall calculate the
 10-34 no-new-revenue [~~effective~~] tax rate and the voter-approved
 10-35 [rollback] tax rate for the taxing unit, where:

10-36 (1) "No-new-revenue [~~Effective~~] tax rate" means a rate
 10-37 expressed in dollars per \$100 of taxable value calculated according
 10-38 to the following formula:

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

10-42 ; and

10-43 (2) "Voter-approved [~~Rollback~~] tax rate" means a rate
 10-44 expressed in dollars per \$100 of taxable value calculated according
 10-45 to the following applicable formula:

10-46 (A) for a small taxing unit:

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

10-50 ; or

10-51 (B) for a taxing unit other than a small taxing
 10-52 unit:

$$\text{VOTER-APPROVED TAX RATE} = (\text{NO-NEW-REVENUE MAINTENANCE} \\ \text{AND OPERATIONS RATE} \times 1.025) + \text{CURRENT DEBT RATE}$$

10-55 (c-1) Notwithstanding any other provision of this section,
 10-56 the governing body of a taxing unit other than a small taxing unit
 10-57 may direct the designated officer or employee to calculate the
 10-58 voter-approved tax rate of the taxing unit in the manner provided
 10-59 for a small taxing unit if any part of the taxing unit is located in
 10-60 an area declared a disaster area during the current tax year by the
 10-61 governor or by the president of the United States. The designated
 10-62 officer or employee shall continue calculating the voter-approved
 10-63 tax rate in the manner provided by this subsection until the earlier
 10-64 of:

10-65 (1) the first tax year in which the total taxable value
 10-66 of property taxable by the taxing unit as shown on the appraisal
 10-67 roll for the taxing unit submitted by the assessor for the taxing
 10-68 unit to the governing body exceeds the total taxable value of
 10-69 property taxable by the taxing unit on January 1 of the tax year in

11-1 which the disaster occurred; or
 11-2 (2) the fifth tax year after the tax year in which the
 11-3 disaster occurred.

11-4 (c-2) Notwithstanding any other provision of this section,
 11-5 if the assessor for a taxing unit receives a certified estimate of
 11-6 the taxable value of property in the taxing unit under Section
 11-7 26.01(a-1), the officer or employee designated by the governing
 11-8 body of the taxing unit shall calculate the no-new-revenue tax rate
 11-9 and voter-approved tax rate using the certified estimate of taxable
 11-10 value.

11-11 (d) The no-new-revenue [effective] tax rate for a county is
 11-12 the sum of the no-new-revenue [effective] tax rates calculated for
 11-13 each type of tax the county levies and the voter-approved
 11-14 [rollback] tax rate for a county is the sum of the voter-approved
 11-15 [rollback] tax rates calculated for each type of tax the county
 11-16 levies.

11-17 (d-1) The designated officer or employee shall use the tax
 11-18 rate calculation forms prescribed by the comptroller under Section
 11-19 5.07 in calculating the no-new-revenue tax rate and the
 11-20 voter-approved tax rate.

11-21 (d-2) The designated officer or employee may not submit the
 11-22 no-new-revenue tax rate and the voter-approved tax rate to the
 11-23 governing body of the taxing unit and the taxing unit may not adopt
 11-24 a tax rate until the designated officer or employee certifies on the
 11-25 tax rate calculation forms that the designated officer or employee
 11-26 has accurately calculated the tax rates and has used values that are
 11-27 the same as the values shown in the taxing unit's certified
 11-28 appraisal roll in performing the calculations.

11-29 (d-3) As soon as practicable after the designated officer or
 11-30 employee calculates the no-new-revenue tax rate and the
 11-31 voter-approved tax rate of the taxing unit, the designated officer
 11-32 or employee shall submit the tax rate calculation forms used in
 11-33 calculating the rates to the county assessor-collector for each
 11-34 county in which all or part of the territory of the taxing unit is
 11-35 located.

11-36 (e) By August 7 or as soon thereafter as practicable, the
 11-37 designated officer or employee shall submit the rates to the
 11-38 governing body. The designated officer or employee [He] shall
 11-39 [deliver by mail to each property owner in the unit or] publish in a
 11-40 newspaper and post prominently on the home page of the taxing unit's
 11-41 Internet website in the form prescribed by the comptroller:

11-42 (1) the no-new-revenue [effective] tax rate, the
 11-43 voter-approved [rollback] tax rate, and an explanation of how they
 11-44 were calculated;

11-45 (2) the estimated amount of interest and sinking fund
 11-46 balances and the estimated amount of maintenance and operation or
 11-47 general fund balances remaining at the end of the current fiscal
 11-48 year that are not encumbered with or by corresponding existing debt
 11-49 obligation;

11-50 (3) a schedule of the taxing unit's debt obligations
 11-51 showing:

11-52 (A) the amount of principal and interest that
 11-53 will be paid to service the taxing unit's debts in the next year
 11-54 from property tax revenue, including payments of lawfully incurred
 11-55 contractual obligations providing security for the payment of the
 11-56 principal of and interest on bonds and other evidences of
 11-57 indebtedness issued on behalf of the taxing unit by another
 11-58 political subdivision and, if the taxing unit is created under
 11-59 Section 52, Article III, or Section 59, Article XVI, Texas
 11-60 Constitution, payments on debts that the taxing unit anticipates to
 11-61 incur in the next calendar year;

11-62 (B) the amount by which taxes imposed for debt
 11-63 are to be increased because of the taxing unit's anticipated
 11-64 collection rate; and

11-65 (C) the total of the amounts listed in Paragraphs
 11-66 (A)-(B), less any amount collected in excess of the previous year's
 11-67 anticipated collections certified as provided in Subsection (b);

11-68 (4) the amount of additional sales and use tax revenue
 11-69 anticipated in calculations under Section 26.041;

12-1 (5) a statement that the adoption of a tax rate equal
 12-2 to the no-new-revenue [~~effective~~] tax rate would result in an
 12-3 increase or decrease, as applicable, in the amount of taxes imposed
 12-4 by the taxing unit as compared to last year's levy, and the amount
 12-5 of the increase or decrease;

12-6 (6) in the year that a taxing unit calculates an
 12-7 adjustment under Subsection (i) or (j), a schedule that includes
 12-8 the following elements:

12-9 (A) the name of the taxing unit discontinuing the
 12-10 department, function, or activity;

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

12-16 (C) the name of the taxing unit that operates a
 12-17 distinct department, function, or activity in all or a majority of
 12-18 the territory of a taxing unit that has discontinued operating the
 12-19 distinct department, function, or activity; and

12-20 (7) in the year following the year in which a taxing
 12-21 unit raised its voter-approved tax [~~rollback~~] rate as required by
 12-22 Subsection (j), a schedule that includes the following elements:

12-23 (A) the amount of property tax revenue spent by
 12-24 the taxing unit to operate the department, function, or activity
 12-25 for which the taxing unit raised the voter-approved tax [~~rollback~~]
 12-26 rate as required by Subsection (j) for the 12 months preceding the
 12-27 month in which the calculations required by this chapter are made;
 12-28 and

12-29 (B) the amount published by the taxing unit in
 12-30 the preceding tax year under Subdivision (6)(B).

12-31 (e-1) The tax rate certification requirements imposed by
 12-32 Subsection (d-2) and the notice requirements imposed by Subsections
 12-33 (e)(1)-(6) do not apply to a school district.

12-34 (e-2) By August 7 or as soon thereafter as practicable, the
 12-35 chief appraiser of each appraisal district shall deliver by regular
 12-36 mail or e-mail to each owner of property located in the appraisal
 12-37 district a notice that the estimated amount of taxes to be imposed
 12-38 on the owner's property by each taxing unit in which the property is
 12-39 located may be found in the property tax database maintained by the
 12-40 appraisal district under Section 26.17. The notice must include:

12-41 (1) a statement directing the property owner to an
 12-42 Internet website from which the owner may access information
 12-43 related to the actions taken or proposed to be taken by each taxing
 12-44 unit in which the property is located that may affect the taxes
 12-45 imposed on the owner's property;

12-46 (2) a statement that the property owner may request
 12-47 from the county assessor-collector for the county in which the
 12-48 property is located or, if the county assessor-collector does not
 12-49 assess taxes for the county, the person who assesses taxes for the
 12-50 county under Section 6.24(b), contact information for the assessor
 12-51 for each taxing unit in which the property is located, who must
 12-52 provide the information described by this subsection to the owner
 12-53 on request; and

12-54 (3) the name, address, and telephone number of the
 12-55 county assessor-collector for the county in which the property is
 12-56 located or, if the county assessor-collector does not assess taxes
 12-57 for the county, the person who assesses taxes for the county under
 12-58 Section 6.24(b).

12-59 (e-3) The statement described by Subsection (e-2)(1) must
 12-60 include a heading that is in bold, capital letters in type larger
 12-61 than that used in the other provisions of the notice.

12-62 (e-4) The comptroller:

12-63 (1) with the advice of the property tax administration
 12-64 advisory board, shall adopt rules prescribing the form of the
 12-65 notice required by Subsection (e-2); and

12-66 (2) may adopt rules regarding the format and delivery
 12-67 of the notice.

12-68 (e-5) The governing body of a taxing unit shall include as
 12-69 an appendix to the taxing unit's budget for a fiscal year the tax

13-1 rate calculation forms used by the designated officer or employee
 13-2 of the taxing unit to calculate the no-new-revenue tax rate and the
 13-3 voter-approved tax rate of the taxing unit for the tax year in which
 13-4 the fiscal year begins.

13-5 (f) If as a result of consolidation of taxing units a taxing
 13-6 unit includes territory that was in two or more taxing units in the
 13-7 preceding year, the amount of taxes imposed in each in the preceding
 13-8 year is combined for purposes of calculating the no-new-revenue
 13-9 [effective] and voter-approved [rollback] tax rates under this
 13-10 section.

13-11 (g) A person who owns taxable property is entitled to an
 13-12 injunction prohibiting the taxing unit in which the property is
 13-13 taxable from adopting a tax rate if the assessor or designated
 13-14 officer or employee of the taxing unit, the chief appraiser of the
 13-15 applicable appraisal district, or the taxing unit, as applicable,
 13-16 has not complied with the computation, [ex] publication, or posting
 13-17 requirements of this section or Section 26.17 or 26.18 [and the
 13-18 failure to comply was not in good faith]. It is a defense in an
 13-19 action for an injunction under this subsection that the failure to
 13-20 comply was in good faith.

13-21 (h-1) Notwithstanding Subsection (h), if the anticipated
 13-22 collection rate of a taxing unit as calculated under that
 13-23 subsection is lower than the lowest actual collection rate of the
 13-24 taxing unit for any of the preceding three years, the anticipated
 13-25 collection rate of the taxing unit for purposes of this section is
 13-26 equal to the lowest actual collection rate of the taxing unit for
 13-27 any of the preceding three years.

13-28 (h-2) The anticipated collection rate of a taxing unit for
 13-29 purposes of this section is the rate calculated under Subsection
 13-30 (h) as modified by Subsection (h-1), if applicable, regardless of
 13-31 whether that rate exceeds 100 percent.

13-32 (i) This subsection applies to a taxing unit that has agreed
 13-33 by written contract to transfer a distinct department, function, or
 13-34 activity to another taxing unit and discontinues operating that
 13-35 distinct department, function, or activity if the operation of that
 13-36 department, function, or activity in all or a majority of the
 13-37 territory of the taxing unit is continued by another existing
 13-38 taxing unit or by a new taxing unit. The voter-approved [rollback]
 13-39 tax rate of a taxing unit to which this subsection applies in the
 13-40 first tax year in which a budget is adopted that does not allocate
 13-41 revenue to the discontinued department, function, or activity is
 13-42 calculated as otherwise provided by this section, except that last
 13-43 year's levy used to calculate the no-new-revenue [effective]
 13-44 maintenance and operations rate of the taxing unit is reduced by the
 13-45 amount of maintenance and operations tax revenue spent by the
 13-46 taxing unit to operate the department, function, or activity for
 13-47 the 12 months preceding the month in which the calculations
 13-48 required by this chapter are made and in which the taxing unit
 13-49 operated the discontinued department, function, or activity. If
 13-50 the taxing unit did not operate that department, function, or
 13-51 activity for the full 12 months preceding the month in which the
 13-52 calculations required by this chapter are made, the taxing unit
 13-53 shall reduce last year's levy used for calculating the
 13-54 no-new-revenue [effective] maintenance and operations rate of the
 13-55 taxing unit by the amount of the revenue spent in the last full
 13-56 fiscal year in which the taxing unit operated the discontinued
 13-57 department, function, or activity.

13-58 (j) This subsection applies to a taxing unit that had agreed
 13-59 by written contract to accept the transfer of a distinct
 13-60 department, function, or activity from another taxing unit and
 13-61 operates a distinct department, function, or activity if the
 13-62 operation of a substantially similar department, function, or
 13-63 activity in all or a majority of the territory of the taxing unit
 13-64 has been discontinued by another taxing unit, including a dissolved
 13-65 taxing unit. The voter-approved [rollback] tax rate of a taxing
 13-66 unit to which this subsection applies in the first tax year after
 13-67 the other taxing unit discontinued the substantially similar
 13-68 department, function, or activity in which a budget is adopted that
 13-69 allocates revenue to the department, function, or activity is

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

14-20 SECTION 27. Section 26.041, Tax Code, is amended by
 14-21 amending Subsections (a), (b), (c), (e), (g), and (h) and adding
 14-22 Subsection (c-1) to read as follows:

14-23 (a) In the first year in which an additional sales and use
 14-24 tax is required to be collected, the no-new-revenue ~~[effective]~~ tax
 14-25 rate and voter-approved ~~[rollback]~~ tax rate for the taxing unit are
 14-26 calculated according to the following formulas:

$$14-27 \quad \text{NO-NEW-REVENUE } \underline{\text{[EFFECTIVE]}} \text{ TAX RATE} = \frac{[(\text{LAST YEAR'S} \\ 14-28 \quad \text{LEVY} - \text{LOST PROPERTY LEVY}) / (\text{CURRENT TOTAL VALUE} - \text{NEW} \\ 14-29 \quad \text{PROPERTY VALUE})] - \text{SALES TAX GAIN RATE}}{1}$$

14-30 and

$$14-31 \quad \text{VOTER-APPROVED TAX } \underline{\text{[ROLLBACK]}} \text{ RATE FOR SMALL TAXING} \\ 14-32 \quad \text{UNIT} = \frac{(\text{NO-NEW-REVENUE } \underline{\text{[EFFECTIVE]}} \text{ MAINTENANCE AND} \\ 14-33 \quad \text{OPERATIONS RATE} \times 1.08) + \text{CURRENT DEBT RATE} - \text{SALES TAX} \\ 14-34 \quad \text{GAIN RATE}}{1}$$

14-35 or

$$14-36 \quad \text{VOTER-APPROVED TAX RATE FOR TAXING UNIT OTHER THAN} \\ 14-37 \quad \text{SMALL TAXING UNIT} = \frac{(\text{NO-NEW-REVENUE MAINTENANCE AND} \\ 14-38 \quad \text{OPERATIONS RATE} \times 1.025) + \text{CURRENT DEBT RATE} - \text{SALES} \\ 14-39 \quad \text{TAX GAIN RATE}}{1}$$

14-40 where "sales tax gain rate" means a number expressed in dollars per
 14-41 \$100 of taxable value, calculated by dividing the revenue that will
 14-42 be generated by the additional sales and use tax in the following
 14-43 year as calculated under Subsection (d) ~~[of this section]~~ by the
 14-44 current total value.

14-45 (b) Except as provided by Subsections (a) and (c) ~~[of this~~
 14-46 ~~section]~~, in a year in which a taxing unit imposes an additional
 14-47 sales and use tax, the voter-approved ~~[rollback]~~ tax rate for the
 14-48 taxing unit is calculated according to the following applicable
 14-49 formula, regardless of whether the taxing unit levied a property
 14-50 tax in the preceding year:

$$14-51 \quad \text{VOTER-APPROVED TAX } \underline{\text{[ROLLBACK]}} \text{ RATE FOR SMALL TAXING} \\ 14-52 \quad \text{UNIT} = \frac{[(\text{LAST YEAR'S MAINTENANCE AND OPERATIONS} \\ 14-53 \quad \text{EXPENSE} \times 1.08) / ((\text{TOTAL} \text{ CURRENT TOTAL VALUE} - \text{NEW} \\ 14-54 \quad \text{PROPERTY VALUE})] + (\text{CURRENT DEBT RATE} - \text{SALES TAX} \\ 14-55 \quad \text{REVENUE RATE})}{1}$$

14-56 or

$$14-57 \quad \text{VOTER-APPROVED TAX RATE FOR TAXING UNIT OTHER THAN} \\ 14-58 \quad \text{SMALL TAXING UNIT} = \frac{[(\text{LAST YEAR'S MAINTENANCE AND} \\ 14-59 \quad \text{OPERATIONS EXPENSE} \times 1.025) / (\text{CURRENT TOTAL VALUE} - \\ 14-60 \quad \text{NEW PROPERTY VALUE})] + (\text{CURRENT DEBT RATE} - \text{SALES TAX} \\ 14-61 \quad \text{REVENUE RATE})}{1}$$

14-62 where "last year's maintenance and operations expense" means the
 14-63 amount spent for maintenance and operations from property tax and
 14-64 additional sales and use tax revenues in the preceding year, and
 14-65 "sales tax revenue rate" means a number expressed in dollars per
 14-66 \$100 of taxable value, calculated by dividing the revenue that will
 14-67 be generated by the additional sales and use tax in the current year
 14-68 as calculated under Subsection (d) ~~[of this section]~~ by the current
 14-69 total value.

15-1 (c) In a year in which a taxing unit that has been imposing
 15-2 an additional sales and use tax ceases to impose an additional sales
 15-3 and use tax, the no-new-revenue [~~effective~~] tax rate and
 15-4 voter-approved [~~rollback~~] tax rate for the taxing unit are
 15-5 calculated according to the following formulas:

15-6 NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE = [(LAST YEAR'S
 15-7 LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW
 15-8 PROPERTY VALUE)] + SALES TAX LOSS RATE

15-9 [~~and~~]

15-10 VOTER-APPROVED [~~ROLLBACK~~] TAX RATE FOR SMALL TAXING
 15-11 UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS
 15-12 EXPENSE x 1.08) / ([~~TOTAL~~] CURRENT TOTAL VALUE - NEW
 15-13 PROPERTY VALUE)] + CURRENT DEBT RATE

15-14 and

15-15 VOTER-APPROVED TAX RATE FOR TAXING UNIT OTHER THAN
 15-16 SMALL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND
 15-17 OPERATIONS EXPENSE x 1.025) / (CURRENT TOTAL VALUE -
 15-18 NEW PROPERTY VALUE)] + CURRENT DEBT RATE

15-19 where "sales tax loss rate" means a number expressed in dollars per
 15-20 \$100 of taxable value, calculated by dividing the amount of sales
 15-21 and use tax revenue generated in the last four quarters for which
 15-22 the information is available by the current total value and "last
 15-23 year's maintenance and operations expense" means the amount spent
 15-24 for maintenance and operations from property tax and additional
 15-25 sales and use tax revenues in the preceding year.

15-26 (c-1) Notwithstanding any other provision of this section,
 15-27 the governing body of a taxing unit other than a small taxing unit
 15-28 may direct the designated officer or employee to calculate the
 15-29 voter-approved tax rate of the taxing unit in the manner provided
 15-30 for a small taxing unit if any part of the taxing unit is located in
 15-31 an area declared a disaster area during the current tax year by the
 15-32 governor or by the president of the United States. The designated
 15-33 officer or employee shall continue calculating the voter-approved
 15-34 tax rate in the manner provided by this subsection until the earlier
 15-35 of:

15-36 (1) the first tax year in which the total taxable value
 15-37 of property taxable by the taxing unit as shown on the appraisal
 15-38 roll for the taxing unit submitted by the assessor for the taxing
 15-39 unit to the governing body exceeds the total taxable value of
 15-40 property taxable by the taxing unit on January 1 of the tax year in
 15-41 which the disaster occurred; or

15-42 (2) the fifth tax year after the tax year in which the
 15-43 disaster occurred.

15-44 (e) If a city that imposes an additional sales and use tax
 15-45 receives payments under the terms of a contract executed before
 15-46 January 1, 1986, in which the city agrees not to annex certain
 15-47 property or a certain area and the owners or lessees of the property
 15-48 or of property in the area agree to pay at least annually to the city
 15-49 an amount determined by reference to all or a percentage of the
 15-50 property tax rate of the city and all or a part of the value of the
 15-51 property subject to the agreement or included in the area subject to
 15-52 the agreement, the governing body, by order adopted by a majority
 15-53 vote of the governing body, may direct the designated officer or
 15-54 employee to add to the no-new-revenue [~~effective~~] and
 15-55 voter-approved [~~rollback~~] tax rates the amount that, when applied
 15-56 to the total taxable value submitted to the governing body, would
 15-57 produce an amount of taxes equal to the difference between the total
 15-58 amount of payments for the tax year under contracts described by
 15-59 this subsection under the voter-approved [~~rollback~~] tax rate
 15-60 calculated under this section and the total amount of payments for
 15-61 the tax year that would have been obligated to the city if the city
 15-62 had not adopted an additional sales and use tax.

15-63 (g) If the rate of the additional sales and use tax is
 15-64 increased, the designated officer or employee shall make two
 15-65 projections, in the manner provided by Subsection (d) [~~of this~~
 15-66 ~~section~~], of the revenue generated by the additional sales and use
 15-67 tax in the following year. The first projection must take into
 15-68 account the increase and the second projection must not take into
 15-69 account the increase. The designated officer or employee shall

16-1 then subtract the amount of the result of the second projection from
 16-2 the amount of the result of the first projection to determine the
 16-3 revenue generated as a result of the increase in the additional
 16-4 sales and use tax. In the first year in which an additional sales
 16-5 and use tax is increased, the no-new-revenue ~~[effective]~~ tax rate
 16-6 for the taxing unit is the no-new-revenue ~~[effective]~~ tax rate
 16-7 before the increase minus a number the numerator of which is the
 16-8 revenue generated as a result of the increase in the additional
 16-9 sales and use tax, as determined under this subsection, and the
 16-10 denominator of which is the current total value minus the new
 16-11 property value.

16-12 (h) If the rate of the additional sales and use tax is
 16-13 decreased, the designated officer or employee shall make two
 16-14 projections, in the manner provided by Subsection (d) ~~[of this~~
 16-15 ~~section]~~, of the revenue generated by the additional sales and use
 16-16 tax in the following year. The first projection must take into
 16-17 account the decrease and the second projection must not take into
 16-18 account the decrease. The designated officer or employee shall
 16-19 then subtract the amount of the result of the first projection from
 16-20 the amount of the result of the second projection to determine the
 16-21 revenue lost as a result of the decrease in the additional sales and
 16-22 use tax. In the first year in which an additional sales and use tax
 16-23 is decreased, the no-new-revenue ~~[effective]~~ tax rate for the
 16-24 taxing unit is the no-new-revenue ~~[effective]~~ tax rate before the
 16-25 decrease plus a number the numerator of which is the revenue lost as
 16-26 a result of the decrease in the additional sales and use tax, as
 16-27 determined under this subsection, and the denominator of which is
 16-28 the current total value minus the new property value.

16-29 SECTION 28. The heading to Section 26.043, Tax Code, is
 16-30 amended to read as follows:

16-31 Sec. 26.043. VOTER-APPROVED AND NO-NEW-REVENUE ~~[EFFECTIVE]~~
 16-32 TAX RATES ~~[RATE]~~ IN CITY IMPOSING MASS TRANSIT SALES AND USE TAX.

16-33 SECTION 29. Sections 26.043(a) and (b), Tax Code, are
 16-34 amended to read as follows:

16-35 (a) In the tax year in which a city has set an election on
 16-36 the question of whether to impose a local sales and use tax under
 16-37 Subchapter H, Chapter 453, Transportation Code, the officer or
 16-38 employee designated to make the calculations provided by Section
 16-39 26.04 may not make those calculations until the outcome of the
 16-40 election is determined. If the election is determined in favor of
 16-41 the imposition of the tax, the designated officer or employee
 16-42 ~~[representative]~~ shall subtract from the city's voter-approved
 16-43 ~~[rollback]~~ and no-new-revenue ~~[effective]~~ tax rates the amount
 16-44 that, if applied to the city's current total value, would impose an
 16-45 amount equal to the amount of property taxes budgeted in the current
 16-46 tax year to pay for expenses related to mass transit services.

16-47 (b) In a tax year to which this section applies, a reference
 16-48 in this chapter to the city's no-new-revenue ~~[effective]~~ or
 16-49 voter-approved ~~[rollback]~~ tax rate refers to that rate as adjusted
 16-50 under this section.

16-51 SECTION 30. The heading to Section 26.044, Tax Code, is
 16-52 amended to read as follows:

16-53 Sec. 26.044. NO-NEW-REVENUE ~~[EFFECTIVE]~~ TAX RATE TO PAY FOR
 16-54 STATE CRIMINAL JUSTICE MANDATE.

16-55 SECTION 31. Sections 26.044(a), (b), and (c), Tax Code, are
 16-56 amended to read as follows:

16-57 (a) The first time that a county adopts a tax rate after
 16-58 September 1, 1991, in which the state criminal justice mandate
 16-59 applies to the county, the no-new-revenue ~~[effective]~~ maintenance
 16-60 and operation rate for the county is increased by the rate
 16-61 calculated according to the following formula:

16-62 (State Criminal Justice Mandate) / (Current Total
 16-63 Value - New Property Value)

16-64 (b) In the second and subsequent years that a county adopts
 16-65 a tax rate, if the amount spent by the county for the state criminal
 16-66 justice mandate increased over the previous year, the
 16-67 no-new-revenue ~~[effective]~~ maintenance and operation rate for the
 16-68 county is increased by the rate calculated according to the
 16-69 following formula:

17-1 (This Year's State Criminal Justice Mandate - Previous
 17-2 Year's State Criminal Justice Mandate) / (Current
 17-3 Total Value - New Property Value)

17-4 (c) The county shall include a notice of the increase in the
 17-5 no-new-revenue [effective] maintenance and operation rate provided
 17-6 by this section, including a description and amount of the state
 17-7 criminal justice mandate, in the information published under
 17-8 Section 26.04(e) and Section 26.06(b) [~~of this code~~].

17-9 SECTION 32. Sections 26.0441(a), (b), and (c), Tax Code,
 17-10 are amended to read as follows:

17-11 (a) In the first tax year in which a taxing unit adopts a tax
 17-12 rate after January 1, 2000, and in which the enhanced minimum
 17-13 eligibility standards for indigent health care established under
 17-14 Section 61.006, Health and Safety Code, apply to the taxing unit,
 17-15 the no-new-revenue [effective] maintenance and operations rate for
 17-16 the taxing unit is increased by the rate computed according to the
 17-17 following formula:

17-18 Amount of Increase = Enhanced Indigent Health Care
 17-19 Expenditures / (Current Total Value - New Property
 17-20 Value)

17-21 (b) In each subsequent tax year, if the taxing unit's
 17-22 enhanced indigent health care expenses exceed the amount of those
 17-23 expenses for the preceding year, the no-new-revenue [effective]
 17-24 maintenance and operations rate for the taxing unit is increased by
 17-25 the rate computed according to the following formula:

17-26 Amount of Increase = (Current Tax Year's Enhanced
 17-27 Indigent Health Care Expenditures - Preceding Tax
 17-28 Year's Indigent Health Care Expenditures) / (Current
 17-29 Total Value - New Property Value)

17-30 (c) The taxing unit shall include a notice of the increase
 17-31 in its no-new-revenue [effective] maintenance and operations rate
 17-32 provided by this section, including a brief description and the
 17-33 amount of the enhanced indigent health care expenditures, in the
 17-34 information published under Section 26.04(e) and, if applicable,
 17-35 Section 26.06(b).

17-36 SECTION 33. Chapter 26, Tax Code, is amended by adding
 17-37 Section 26.0446 to read as follows:

17-38 Sec. 26.0446. ELECTION TO APPLY LAW GOVERNING TAXING UNIT
 17-39 OTHER THAN SMALL TAXING UNIT TO SMALL TAXING UNIT. (a) On the
 17-40 uniform election date prescribed by Section 41.001, Election Code,
 17-41 in May of 2020, each taxing unit that would have been a small taxing
 17-42 unit in the 2019 tax year if Section 26.012(19) had been in effect
 17-43 in that tax year shall call an election for the purpose of allowing
 17-44 the voters in the taxing unit to determine whether the law governing
 17-45 a taxing unit other than a small taxing unit shall apply to the
 17-46 taxing unit. At the election, the ballots shall be prepared to
 17-47 permit voting for or against the proposition: "Limiting the rate at
 17-48 which the maintenance and operations taxes of the (name of taxing
 17-49 unit) may be increased without voter approval to 2.5 percent rather
 17-50 than eight percent."

17-51 (b) If a majority of the votes cast in the election favor the
 17-52 proposition, the taxing unit is considered to be a taxing unit other
 17-53 than a small taxing unit regardless of whether it meets the
 17-54 definition of a small taxing unit under Section 26.012.

17-55 (c) If the proposition is not approved as provided by
 17-56 Subsection (b), the taxing unit is considered to be a taxing unit
 17-57 other than a small taxing unit only if it does not meet the
 17-58 definition of a small taxing unit under Section 26.012.

17-59 (d) The secretary of state by rule shall prescribe
 17-60 procedures for holding an election under this section.

17-61 SECTION 34. Section 26.05, Tax Code, is amended by amending
 17-62 Subsections (a), (b), (c), (d), (e), and (g) and adding Subsections
 17-63 (d-1), (d-2), and (e-1) to read as follows:

17-64 (a) The governing body of each taxing unit[~~, before the~~
 17-65 later of September 30 or the 60th day after the date the certified
 17-66 appraisal roll is received by the taxing unit,] shall adopt a tax
 17-67 rate for the current tax year and shall notify the assessor for the
 17-68 taxing unit of the rate adopted. The governing body must adopt a
 17-69 tax rate before the later of September 30 or the 60th day after the

18-1 date the certified appraisal roll is received by the taxing unit,
 18-2 except that the governing body must adopt a tax rate that exceeds
 18-3 the voter-approved tax rate not later than the 71st day before the
 18-4 next uniform election date prescribed by Section 41.001, Election
 18-5 Code, that occurs in November of that year. The tax rate consists
 18-6 of two components, each of which must be approved separately. The
 18-7 components are:

18-8 (1) for a taxing unit other than a school district, the
 18-9 rate that, if applied to the total taxable value, will impose the
 18-10 total amount published under Section 26.04(e)(3)(C), less any
 18-11 amount of additional sales and use tax revenue that will be used to
 18-12 pay debt service, or, for a school district, the rate calculated
 18-13 under Section 44.004(c)(5)(A)(ii)(b), Education Code; and

18-14 (2) the rate that, if applied to the total taxable
 18-15 value, will impose the amount of taxes needed to fund maintenance
 18-16 and operation expenditures of the taxing unit for the next year.

18-17 (b) A taxing unit may not impose property taxes in any year
 18-18 until the governing body has adopted a tax rate for that year, and
 18-19 the annual tax rate must be set by ordinance, resolution, or order,
 18-20 depending on the method prescribed by law for adoption of a law by
 18-21 the governing body. The vote on the ordinance, resolution, or order
 18-22 setting the tax rate must be separate from the vote adopting the
 18-23 budget. For a taxing unit other than a school district, the vote on
 18-24 the ordinance, resolution, or order setting a tax rate that exceeds
 18-25 the no-new-revenue [~~effective~~] tax rate must be a record vote, and
 18-26 at least 60 percent of the members of the governing body must vote
 18-27 in favor of the ordinance, resolution, or order. For a school
 18-28 district, the vote on the ordinance, resolution, or order setting a
 18-29 tax rate that exceeds the sum of the no-new-revenue [~~effective~~]
 18-30 maintenance and operations tax rate of the district as determined
 18-31 under Section 26.08(i) and the district's current debt rate must be
 18-32 a record vote, and at least 60 percent of the members of the
 18-33 governing body must vote in favor of the ordinance, resolution, or
 18-34 order. A motion to adopt an ordinance, resolution, or order setting
 18-35 a tax rate that exceeds the no-new-revenue [~~effective~~] tax rate
 18-36 must be made in the following form: "I move that the property tax
 18-37 rate be increased by the adoption of a tax rate of (specify tax
 18-38 rate), which is effectively a (insert percentage by which the
 18-39 proposed tax rate exceeds the no-new-revenue [~~effective~~] tax rate)
 18-40 percent increase in the tax rate." If the ordinance, resolution, or
 18-41 order sets a tax rate that, if applied to the total taxable value,
 18-42 will impose an amount of taxes to fund maintenance and operation
 18-43 expenditures of the taxing unit that exceeds the amount of taxes
 18-44 imposed for that purpose in the preceding year, the taxing unit
 18-45 must:

18-46 (1) include in the ordinance, resolution, or order in
 18-47 type larger than the type used in any other portion of the document:

18-48 (A) the following statement: "THIS TAX RATE WILL
 18-49 RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S
 18-50 TAX RATE."; and

18-51 (B) if the tax rate exceeds the no-new-revenue
 18-52 [~~effective~~] maintenance and operations rate, the following
 18-53 statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT
 18-54 PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE NO-NEW-REVENUE
 18-55 [~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE
 18-56 TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY
 18-57 APPROXIMATELY \$(Insert amount)."; and

18-58 (2) include on the home page of the [~~any~~] Internet
 18-59 website of [~~operated by~~] the taxing unit:

18-60 (A) the following statement: "(Insert name of
 18-61 taxing unit) ADOPTED A TAX RATE THAT WILL RAISE MORE TAXES FOR
 18-62 MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE"; and

18-63 (B) if the tax rate exceeds the no-new-revenue
 18-64 [~~effective~~] maintenance and operations rate, the following
 18-65 statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT
 18-66 PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE NO-NEW-REVENUE
 18-67 [~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE
 18-68 TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY
 18-69 APPROXIMATELY \$(Insert amount)."

19-1 (c) If the governing body of a taxing unit does not adopt a
 19-2 tax rate before the date required by Subsection (a), the tax rate
 19-3 for the taxing unit for that tax year is the lower of the
 19-4 no-new-revenue [effective] tax rate calculated for that tax year or
 19-5 the tax rate adopted by the taxing unit for the preceding tax year.
 19-6 A tax rate established by this subsection is treated as an adopted
 19-7 tax rate. Before the fifth day after the establishment of a tax
 19-8 rate by this subsection, the governing body of the taxing unit must
 19-9 ratify the applicable tax rate in the manner required by Subsection
 19-10 (b).

19-11 (d) The governing body of a taxing unit other than a school
 19-12 district may not adopt a tax rate that exceeds the lower of the
 19-13 voter-approved [rollback] tax rate or the no-new-revenue
 19-14 [effective] tax rate calculated as provided by this chapter until
 19-15 the governing body has held a public hearing [two public hearings]
 19-16 on the proposed tax rate and has otherwise complied with Section
 19-17 26.06 and Section 26.065. The governing body of a taxing unit shall
 19-18 reduce a tax rate set by law or by vote of the electorate to the
 19-19 lower of the voter-approved [rollback] tax rate or the
 19-20 no-new-revenue [effective] tax rate and may not adopt a higher rate
 19-21 unless it first complies with Section 26.06.

19-22 (d-1) The governing body of a taxing unit other than a
 19-23 school district may not hold a public hearing on a proposed tax rate
 19-24 or a public meeting to adopt a tax rate until the fifth day after the
 19-25 date the chief appraiser of each appraisal district in which the
 19-26 taxing unit participates has:

19-27 (1) delivered the notice required by Section
 19-28 26.04(e-2); and

19-29 (2) complied with Section 26.17(e).

19-30 (d-2) Notwithstanding Subsection (a), the governing body of
 19-31 a taxing unit other than a school district may not adopt a tax rate
 19-32 until the chief appraiser of each appraisal district in which the
 19-33 taxing unit participates has complied with Subsection (d-1).

19-34 (e) A person who owns taxable property is entitled to an
 19-35 injunction restraining the collection of taxes by a taxing unit in
 19-36 which the property is taxable if the taxing unit has not complied
 19-37 with the requirements of this section or Section 26.04 [and the
 19-38 failure to comply was not in good faith]. It is a defense in an
 19-39 action for an injunction under this subsection that the failure to
 19-40 comply was in good faith. An action to enjoin the collection of
 19-41 taxes must be filed not later than the 15th day after the date the
 19-42 taxing unit adopts a tax rate. A property owner is not required to
 19-43 pay the taxes imposed by a taxing unit on the owner's property while
 19-44 an action filed by the property owner to enjoin the collection of
 19-45 taxes imposed by the taxing unit on the owner's property is pending.
 19-46 If the property owner pays the taxes and subsequently prevails in
 19-47 the action, the property owner is entitled to a refund of the taxes
 19-48 paid, together with reasonable attorney's fees and court costs.
 19-49 The property owner is not required to apply to the collector for the
 19-50 taxing unit to receive the refund [prior to the date a taxing unit
 19-51 delivers substantially all of its tax bills].

19-52 (e-1) The governing body of a taxing unit that imposes an
 19-53 additional sales and use tax may not adopt the component of the tax
 19-54 rate of the taxing unit described by Subsection (a)(1) of this
 19-55 section until the chief financial officer or the auditor for the
 19-56 taxing unit submits to the governing body of the taxing unit a
 19-57 written certification that the amount of additional sales and use
 19-58 tax revenue that will be used to pay debt service has been deducted
 19-59 from the total amount published under Section 26.04(e)(3)(C) as
 19-60 required by Subsection (a)(1) of this section. The comptroller
 19-61 shall adopt rules governing the form of the certification required
 19-62 by this subsection and the manner in which it is required to be
 19-63 submitted.

19-64 (g) Notwithstanding Subsection (a), the governing body of a
 19-65 school district that elects to adopt a tax rate before the adoption
 19-66 of a budget for the fiscal year that begins in the current tax year
 19-67 may adopt a tax rate for the current tax year before receipt of the
 19-68 certified appraisal roll for the school district if the chief
 19-69 appraiser of the appraisal district in which the school district

20-1 participates has certified to the assessor for the school district
 20-2 an estimate of the taxable value of property in the school district
 20-3 as provided by Section 26.01(e). If a school district adopts a tax
 20-4 rate under this subsection, the no-new-revenue ~~[effective]~~ tax rate
 20-5 and the voter-approved ~~[rollback]~~ tax rate of the district shall be
 20-6 calculated based on the certified estimate of taxable value.

20-7 SECTION 35. Section 26.052, Tax Code, is amended by
 20-8 amending Subsection (e) and adding Subsection (f) to read as
 20-9 follows:

20-10 (e) Public notice provided under Subsection (c) must
 20-11 specify:

20-12 (1) the tax rate that the governing body proposes to
 20-13 adopt;

20-14 (2) the date, time, and location of the meeting of the
 20-15 governing body of the taxing unit at which the governing body will
 20-16 consider adopting the proposed tax rate; and

20-17 (3) if the proposed tax rate for the taxing unit
 20-18 exceeds the taxing unit's no-new-revenue ~~[effective]~~ tax rate
 20-19 calculated as provided by Section 26.04, a statement substantially
 20-20 identical to the following: "The proposed tax rate would increase
 20-21 total taxes in (name of taxing unit) by (percentage by which the
 20-22 proposed tax rate exceeds the no-new-revenue ~~[effective]~~ tax
 20-23 rate)."

20-24 (f) A taxing unit to which this section applies that elects
 20-25 to provide public notice of its proposed tax rate under Subsection
 20-26 (c)(2) must also provide public notice of its proposed tax rate by
 20-27 posting notice of the proposed tax rate, including the information
 20-28 prescribed by Subsection (e), prominently on the home page of the
 20-29 Internet website of the taxing unit.

20-30 SECTION 36. Section 26.06, Tax Code, is amended by amending
 20-31 Subsections (a), (b), (c), (d), and (e) and adding Subsections
 20-32 (b-1), (b-2), (b-3), and (b-4) to read as follows:

20-33 (a) A public hearing required by Section 26.05 may not be
 20-34 held before the seventh day after the date the notice of the public
 20-35 hearing is given. ~~The [second hearing may not be held earlier than~~
 20-36 ~~the third day after the date of the first hearing. Each] hearing~~
 20-37 ~~must be on a weekday that is not a public holiday. The [Each]~~
 20-38 ~~hearing must be held inside the boundaries of the unit in a publicly~~
 20-39 ~~owned building or, if a suitable publicly owned building is not~~
 20-40 ~~available, in a suitable building to which the public normally has~~
 20-41 ~~access. At the hearing [hearings], the governing body must afford~~
 20-42 ~~adequate opportunity for proponents and opponents of the tax~~
 20-43 ~~increase to present their views.~~

20-44 (b) The notice of a public hearing may not be smaller than
 20-45 one-quarter page of a standard-size or a tabloid-size newspaper,
 20-46 and the headline on the notice must be in 24-point or larger type.
 20-47 ~~[The notice must contain a statement in the following form:~~

20-48 ~~["NOTICE OF PUBLIC HEARING ON TAX INCREASE~~

20-49 ~~["The (name of the taxing unit) will hold two public hearings~~
 20-50 ~~on a proposal to increase total tax revenues from properties on the~~
 20-51 ~~tax roll in the preceding tax year by (percentage by which proposed~~
 20-52 ~~tax rate exceeds lower of rollback tax rate or effective tax rate~~
 20-53 ~~calculated under this chapter) percent. Your individual taxes may~~
 20-54 ~~increase at a greater or lesser rate, or even decrease, depending on~~
 20-55 ~~the change in the taxable value of your property in relation to the~~
 20-56 ~~change in taxable value of all other property and the tax rate that~~
 20-57 ~~is adopted.~~

20-58 ~~["The first public hearing will be held on (date and time) at~~
 20-59 ~~(meeting place).~~

20-60 ~~["The second public hearing will be held on (date and time) at~~
 20-61 ~~(meeting place).~~

20-62 ~~["(Names of all members of the governing body, showing how~~
 20-63 ~~each voted on the proposal to consider the tax increase or, if one~~
 20-64 ~~or more were absent, indicating the absences.)~~

20-65 ~~["The average taxable value of a residence homestead in (name~~
 20-66 ~~of taxing unit) last year was \$_____ (average taxable value of a~~
 20-67 ~~residence homestead in the taxing unit for the preceding tax year,~~
 20-68 ~~disregarding residence homestead exemptions available only to~~
 20-69 ~~disabled persons or persons 65 years of age or older). Based on~~

21-1 ~~last year's tax rate of \$_____ (preceding year's adopted tax rate)~~
21-2 ~~per \$100 of taxable value, the amount of taxes imposed last year on~~
21-3 ~~the average home was \$_____ (tax on average taxable value of a~~
21-4 ~~residence homestead in the taxing unit for the preceding tax year,~~
21-5 ~~disregarding residence homestead exemptions available only to~~
21-6 ~~disabled persons or persons 65 years of age or older).~~

21-7 ~~["The average taxable value of a residence homestead in (name~~
21-8 ~~of taxing unit) this year is \$_____ (average taxable value of a~~
21-9 ~~residence homestead in the taxing unit for the current tax year,~~
21-10 ~~disregarding residence homestead exemptions available only to~~
21-11 ~~disabled persons or persons 65 years of age or older). If the~~
21-12 ~~governing body adopts the effective tax rate for this year of \$_____~~
21-13 ~~(effective tax rate) per \$100 of taxable value, the amount of taxes~~
21-14 ~~imposed this year on the average home would be \$_____ (tax on average~~
21-15 ~~taxable value of a residence homestead in the taxing unit for the~~
21-16 ~~current tax year, disregarding residence homestead exemptions~~
21-17 ~~available only to disabled persons or persons 65 years of age or~~
21-18 ~~older).~~

21-19 ~~["If the governing body adopts the proposed tax rate of \$_____~~
21-20 ~~(proposed tax rate) per \$100 of taxable value, the amount of taxes~~
21-21 ~~imposed this year on the average home would be \$_____ (tax on the~~
21-22 ~~average taxable value of a residence in the taxing unit for the~~
21-23 ~~current year disregarding residence homestead exemptions available~~
21-24 ~~only to disabled persons or persons 65 years of age or older).~~

21-25 ~~["Members of the public are encouraged to attend the hearings~~
21-26 ~~and express their views."]~~

21-27 (b-1) If the proposed tax rate exceeds the no-new-revenue
21-28 tax rate and the voter-approved tax rate of the taxing unit, the
21-29 notice must contain a statement in the following form:

21-30 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

21-31 <u>"PROPOSED TAX RATE</u>	<u>\$_____ per \$100</u>
21-32 <u>"NO-NEW-REVENUE TAX RATE</u>	<u>\$_____ per \$100</u>
21-33 <u>"VOTER-APPROVED TAX RATE</u>	<u>\$_____ per \$100</u>

21-34 "The no-new-revenue tax rate is the tax rate for the (current
21-35 tax year) tax year that will raise the same amount of property tax
21-36 revenue for (name of taxing unit) from the same properties in both
21-37 the (preceding tax year) tax year and the (current tax year) tax
21-38 year.

21-39 "The voter-approved tax rate is the highest tax rate that
21-40 (name of taxing unit) may adopt without holding an election to
21-41 ratify the rate.

21-42 "The proposed tax rate is greater than the no-new-revenue tax
21-43 rate. This means that (name of taxing unit) is proposing to
21-44 increase property taxes for the (current tax year) tax year.

21-45 "A public hearing on the proposed tax rate will be held on
21-46 (date and time) at (meeting place).

21-47 "The proposed tax rate is also greater than the
21-48 voter-approved tax rate. If (name of taxing unit) adopts the
21-49 proposed tax rate, (name of taxing unit) is required to hold an
21-50 election so that the voters may accept or reject the proposed tax
21-51 rate. If a majority of the voters reject the proposed tax rate, the
21-52 (name of taxing unit) will be required to adopt a new tax rate that
21-53 is not greater than the voter-approved tax rate. The election will
21-54 be held on (date of election). You may contact the (name of office
21-55 responsible for administering the election) for information about
21-56 voting locations. The hours of voting on election day are (voting
21-57 hours).

21-58 "Your taxes owed under any of the tax rates mentioned above
21-59 can be calculated as follows:

21-60 "Property tax amount = tax rate x taxable value of your
21-61 property / 100

21-62 "(Names of all members of the governing body, showing how
21-63 each voted on the proposal to consider the tax increase or, if one
21-64 or more were absent, indicating the absences.)"

21-65 (b-2) If the proposed tax rate exceeds the no-new-revenue
21-66 tax rate but does not exceed the voter-approved tax rate of the
21-67 taxing unit, the notice must contain a statement in the following
21-68 form:

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

22-1 "PROPOSED TAX RATE \$_____ per \$100
 22-2 "NO-NEW-REVENUE TAX RATE \$_____ per \$100
 22-3 "VOTER-APPROVED TAX RATE \$_____ per \$100
 22-4 "The no-new-revenue tax rate is the tax rate for the (current
 22-5 tax year) tax year that will raise the same amount of property tax
 22-6 revenue for (name of taxing unit) from the same properties in both
 22-7 the (preceding tax year) tax year and the (current tax year) tax
 22-8 year.
 22-9 "The voter-approved tax rate is the highest tax rate that
 22-10 (name of taxing unit) may adopt without holding an election to
 22-11 ratify the rate.
 22-12 "The proposed tax rate is greater than the no-new-revenue tax
 22-13 rate. This means that (name of taxing unit) is proposing to
 22-14 increase property taxes for the (current tax year) tax year.
 22-15 "A public hearing on the proposed tax rate will be held on
 22-16 (date and time) at (meeting place).
 22-17 "The proposed tax rate is not greater than the voter-approved
 22-18 tax rate. As a result, (name of taxing unit) is not required to hold
 22-19 an election at which voters may accept or reject the proposed tax
 22-20 rate. However, you may express your support for or opposition to
 22-21 the proposed tax rate by contacting the members of the (name of
 22-22 governing body) of (name of taxing unit) at their offices or by
 22-23 attending the public hearing mentioned above.
 22-24 "Your taxes owed under any of the tax rates mentioned above
 22-25 can be calculated as follows:
 22-26 "Property tax amount = tax rate x taxable value of your
 22-27 property / 100
 22-28 "(Names of all members of the governing body, showing how
 22-29 each voted on the proposal to consider the tax increase or, if one
 22-30 or more were absent, indicating the absences.)"
 22-31 (b-3) If the proposed tax rate does not exceed the
 22-32 no-new-revenue tax rate but exceeds the voter-approved tax rate of
 22-33 the taxing unit, the notice must contain a statement in the
 22-34 following form:
 22-35 "NOTICE OF PUBLIC HEARING ON TAX RATE
 22-36 "PROPOSED TAX RATE \$_____ per \$100
 22-37 "NO-NEW-REVENUE TAX RATE \$_____ per \$100
 22-38 "VOTER-APPROVED TAX RATE \$_____ per \$100
 22-39 "The no-new-revenue tax rate is the tax rate for the (current
 22-40 tax year) tax year that will raise the same amount of property tax
 22-41 revenue for (name of taxing unit) from the same properties in both
 22-42 the (preceding tax year) tax year and the (current tax year) tax
 22-43 year.
 22-44 "The voter-approved tax rate is the highest tax rate that
 22-45 (name of taxing unit) may adopt without holding an election to
 22-46 ratify the rate.
 22-47 "The proposed tax rate is not greater than the no-new-revenue
 22-48 tax rate. This means that (name of taxing unit) is not proposing to
 22-49 increase property taxes for the (current tax year) tax year.
 22-50 "A public hearing on the proposed tax rate will be held on
 22-51 (date and time) at (meeting place).
 22-52 "The proposed tax rate is greater than the voter-approved tax
 22-53 rate. If (name of taxing unit) adopts the proposed tax rate, (name
 22-54 of taxing unit) is required to hold an election so that the voters
 22-55 may accept or reject the proposed tax rate. If a majority of the
 22-56 voters reject the proposed tax rate, the (name of taxing unit) will
 22-57 be required to adopt a new tax rate that is not greater than the
 22-58 voter-approved tax rate. The election will be held on (date of
 22-59 election). You may contact the (name of office responsible for
 22-60 administering the election) for information about voting
 22-61 locations. The hours of voting on election day are (voting hours).
 22-62 "Your taxes owed under any of the tax rates mentioned above
 22-63 can be calculated as follows:
 22-64 "Property tax amount = tax rate x taxable value of your
 22-65 property / 100
 22-66 "(Names of all members of the governing body, showing how
 22-67 each voted on the proposal to consider the tax increase or, if one
 22-68 or more were absent, indicating the absences.)"
 22-69

23-1 (b-4) In addition to including the information described by
 23-2 Subsection (b-1), (b-2), or (b-3), as applicable, the notice must
 23-3 include the information described by Section 26.062.

23-4 (c) The notice of a public hearing under this section may be
 23-5 delivered by mail to each property owner in the taxing unit, or may
 23-6 be published in a newspaper. If the notice is published in a
 23-7 newspaper, it may not be in the part of the paper in which legal
 23-8 notices and classified advertisements appear. If the taxing unit
 23-9 publishes the notice in a newspaper [~~operates an Internet website~~],
 23-10 the taxing unit must also post the notice prominently on the home
 23-11 page of the Internet website of the taxing unit [~~must be posted on~~
 23-12 ~~the website~~] from the date the notice is first published until the
 23-13 [~~second~~] public hearing is concluded.

23-14 (d) At the public hearing [~~hearings~~] the governing body
 23-15 shall announce the date, time, and place of the meeting at which it
 23-16 will vote on the proposed tax rate. After the [~~each~~] hearing the
 23-17 governing body shall give notice of the meeting at which it will
 23-18 vote on the proposed tax rate and the notice shall be in the same
 23-19 form as prescribed by Subsections (b) and (c), except that it must
 23-20 state the following:

23-21 "NOTICE OF TAX REVENUE INCREASE

23-22 "The (name of the taxing unit) conducted a public hearing
 23-23 [~~hearings~~] on (date of [~~first~~] hearing) [~~and (date of second~~
 23-24 ~~hearing)~~] on a proposal to increase the total tax revenues of the
 23-25 (name of the taxing unit) from properties on the tax roll in the
 23-26 preceding year by (percentage by which proposed tax rate exceeds
 23-27 lower of voter-approved [~~rollback~~] tax rate or no-new-revenue
 23-28 [~~effective~~] tax rate calculated under this chapter) percent.

23-29 "The total tax revenue proposed to be raised last year at last
 23-30 year's tax rate of (insert tax rate for the preceding year) for each
 23-31 \$100 of taxable value was (insert total amount of taxes imposed in
 23-32 the preceding year).

23-33 "The total tax revenue proposed to be raised this year at the
 23-34 proposed tax rate of (insert proposed tax rate) for each \$100 of
 23-35 taxable value, excluding tax revenue to be raised from new property
 23-36 added to the tax roll this year, is (insert amount computed by
 23-37 multiplying proposed tax rate by the difference between current
 23-38 total value and new property value).

23-39 "The total tax revenue proposed to be raised this year at the
 23-40 proposed tax rate of (insert proposed tax rate) for each \$100 of
 23-41 taxable value, including tax revenue to be raised from new property
 23-42 added to the tax roll this year, is (insert amount computed by
 23-43 multiplying proposed tax rate by current total value).

23-44 "The (governing body of the taxing unit) is scheduled to vote
 23-45 on the tax rate that will result in that tax increase at a public
 23-46 meeting to be held on (date of meeting) at (location of meeting,
 23-47 including mailing address) at (time of meeting).

23-48 "The (governing body of the taxing unit) proposes to use the
 23-49 increase in total tax revenue for the purpose of (description of
 23-50 purpose of increase)."

23-51 (e) The meeting to vote on the tax increase may not be
 23-52 earlier than the third day or later than the seventh [~~14th~~] day
 23-53 after the date of the [~~second~~] public hearing. The meeting must be
 23-54 held inside the boundaries of the taxing unit in a publicly owned
 23-55 building or, if a suitable publicly owned building is not
 23-56 available, in a suitable building to which the public normally has
 23-57 access. If the governing body does not adopt a tax rate that
 23-58 exceeds the lower of the voter-approved [~~rollback~~] tax rate or the
 23-59 no-new-revenue [~~effective~~] tax rate by the seventh [~~14th~~] day, it
 23-60 must give a new notice under Subsection (d) before it may adopt a
 23-61 rate that exceeds the lower of the voter-approved [~~rollback~~] tax
 23-62 rate or the no-new-revenue [~~effective~~] tax rate.

23-63 SECTION 37. Chapter 26, Tax Code, is amended by adding
 23-64 Sections 26.061 and 26.062 to read as follows:

23-65 Sec. 26.061. NOTICE OF MEETING TO VOTE ON PROPOSED TAX RATE
 23-66 THAT DOES NOT EXCEED LOWER OF NO-NEW-REVENUE OR VOTER-APPROVED TAX
 23-67 RATE. (a) This section applies only to the governing body of a
 23-68 taxing unit other than a school district that proposes to adopt a
 23-69 tax rate that does not exceed the lower of the no-new-revenue tax

24-1 rate or the voter-approved tax rate calculated as provided by this
24-2 chapter.

24-3 (b) The notice of the meeting at which the governing body of
24-4 the taxing unit will vote on the proposed tax rate must contain a
24-5 statement in the following form:

24-6 "NOTICE OF MEETING TO VOTE ON TAX RATE

24-7 "PROPOSED TAX RATE \$_____ per \$100

24-8 "NO-NEW-REVENUE TAX RATE \$_____ per \$100

24-9 "VOTER-APPROVED TAX RATE \$_____ per \$100

24-10 "The no-new-revenue tax rate is the tax rate for the (current
24-11 tax year) tax year that will raise the same amount of property tax
24-12 revenue for (name of taxing unit) from the same properties in both
24-13 the (preceding tax year) tax year and the (current tax year) tax
24-14 year.

24-15 "The voter-approved tax rate is the highest tax rate that
24-16 (name of taxing unit) may adopt without holding an election to
24-17 ratify the rate.

24-18 "The proposed tax rate is not greater than the no-new-revenue
24-19 tax rate. This means that (name of taxing unit) is not proposing to
24-20 increase property taxes for the (current tax year) tax year.

24-21 "A public meeting to vote on the proposed tax rate will be
24-22 held on (date and time) at (meeting place).

24-23 "The proposed tax rate is also not greater than the
24-24 voter-approved tax rate. As a result, (name of taxing unit) is not
24-25 required to hold an election to ratify the rate. However, you may
24-26 express your support for or opposition to the proposed tax rate by
24-27 contacting the members of the (name of governing body) of (name of
24-28 taxing unit) at their offices or by attending the public meeting
24-29 mentioned above.

24-30 "Your taxes owed under any of the above rates can be
24-31 calculated as follows:

24-32 "Property tax amount = tax rate x taxable value of your
24-33 property / 100

24-34 "(Names of all members of the governing body, showing how
24-35 each voted on the proposed tax rate or, if one or more were absent,
24-36 indicating the absences.)"

24-37 (c) In addition to including the information described by
24-38 Subsection (b), the notice must include the information described
24-39 by Section 26.062.

24-40 Sec. 26.062. ADDITIONAL INFORMATION TO BE INCLUDED IN TAX
24-41 RATE NOTICE. (a) In addition to the information described by
24-42 Section 26.06(b-1), (b-2), or (b-3) or 26.061, as applicable, a
24-43 notice required by that provision must include at the end of the
24-44 notice:

24-45 (1) a statement in the following form:

24-46 "The following table compares the taxes imposed on the
24-47 average residence homestead by (name of taxing unit) last year to
24-48 the taxes proposed to be imposed on the average residence homestead
24-49 by (name of taxing unit) this year:";

24-50 (2) a table in the form required by this section
24-51 following the statement described by Subdivision (1); and

24-52 (3) a statement in the following form following the
24-53 table:

24-54 (A) if the tax assessor for the taxing unit
24-55 maintains an Internet website: "For assistance with tax
24-56 calculations, please contact the tax assessor for (name of taxing
24-57 unit) at (telephone number) or (e-mail address), or visit (Internet
24-58 website address) for more information."; or

24-59 (B) if the tax assessor for the taxing unit does
24-60 not maintain an Internet website: "For assistance with tax
24-61 calculations, please contact the tax assessor for (name of taxing
24-62 unit) at (telephone number) or (e-mail address)."

24-63 (b) The table must contain five rows and four columns.

24-64 (c) The first row must appear as follows:

24-65 (1) the first column of the first row must be left
24-66 blank;

24-67 (2) the second column of the first row must state the
24-68 year corresponding to the preceding tax year;

24-69 (3) the third column of the first row must state the

- 25-1 year corresponding to the current tax year; and
 25-2 (4) the fourth column of the first row must be entitled
 25-3 "Change".
 25-4 (d) The second row must appear as follows:
 25-5 (1) the first column of the second row must be entitled
 25-6 "Total tax rate (per \$100 of value)";
 25-7 (2) the second column of the second row must state the
 25-8 adopted tax rate for the preceding tax year;
 25-9 (3) the third column of the second row must state the
 25-10 proposed tax rate for the current tax year; and
 25-11 (4) the fourth column of the second row must state the
 25-12 nominal and percentage difference between the adopted tax rate for
 25-13 the preceding tax year and the proposed tax rate for the current tax
 25-14 year as follows: "(increase or decrease, as applicable) of
 25-15 (nominal difference between tax rate stated in second column of
 25-16 second row and tax rate stated in third column of second row) per
 25-17 \$100, or (percentage difference between tax rate stated in second
 25-18 column of second row and tax rate stated in third column of second
 25-19 row)%".
 25-20 (e) The third row must appear as follows:
 25-21 (1) the first column of the third row must be entitled
 25-22 "Average homestead taxable value";
 25-23 (2) the second column of the third row must state the
 25-24 average taxable value of a residence homestead in the taxing unit
 25-25 for the preceding tax year;
 25-26 (3) the third column of the third row must state the
 25-27 average taxable value of a residence homestead in the taxing unit
 25-28 for the current tax year; and
 25-29 (4) the fourth column of the third row must state the
 25-30 percentage difference between the average taxable value of a
 25-31 residence homestead in the taxing unit for the preceding tax year
 25-32 and the average taxable value of a residence homestead in the taxing
 25-33 unit for the current tax year as follows: "(increase or decrease,
 25-34 as applicable) of (percentage difference between amount stated in
 25-35 second column of third row and amount stated in third column of
 25-36 third row)%".
 25-37 (f) The fourth row must appear as follows:
 25-38 (1) the first column of the fourth row must be entitled
 25-39 "Tax on average homestead";
 25-40 (2) the second column of the fourth row must state the
 25-41 amount of taxes imposed by the taxing unit in the preceding tax year
 25-42 on a residence homestead with a taxable value equal to the average
 25-43 taxable value of a residence homestead in the taxing unit in the
 25-44 preceding tax year;
 25-45 (3) the third column of the fourth row must state the
 25-46 amount of taxes that would be imposed by the taxing unit in the
 25-47 current tax year on a residence homestead with a taxable value equal
 25-48 to the average taxable value of a residence homestead in the taxing
 25-49 unit in the current tax year if the taxing unit adopted the proposed
 25-50 tax rate; and
 25-51 (4) the fourth column of the fourth row must state the
 25-52 nominal and percentage difference between the amount of taxes
 25-53 imposed by the taxing unit in the preceding tax year on a residence
 25-54 homestead with a taxable value equal to the average taxable value of
 25-55 a residence homestead in the taxing unit in the preceding tax year
 25-56 and the amount of taxes that would be imposed by the taxing unit in
 25-57 the current tax year on a residence homestead with a taxable value
 25-58 equal to the average taxable value of a residence homestead in the
 25-59 taxing unit in the current tax year if the taxing unit adopted the
 25-60 proposed tax rate, as follows: "(increase or decrease, as
 25-61 applicable) of (nominal difference between amount stated in second
 25-62 column of fourth row and amount stated in third column of fourth
 25-63 row), or (percentage difference between amount stated in second
 25-64 column of fourth row and amount stated in third column of fourth
 25-65 row)%".
 25-66 (g) The fifth row must appear as follows:
 25-67 (1) the first column of the fifth row must be entitled
 25-68 "Total tax levy on all properties";
 25-69 (2) the second column of the fifth row must state the

26-1 amount equal to last year's levy;

26-2 (3) the third column of the fifth row must state the
 26-3 amount computed by multiplying the proposed tax rate by the current
 26-4 total value and dividing the product by 100; and

26-5 (4) the fourth column of the fifth row must state the
 26-6 nominal and percentage difference between the total amount of taxes
 26-7 imposed by the taxing unit in the preceding tax year and the amount
 26-8 that would be imposed by the taxing unit in the current tax year if
 26-9 the taxing unit adopted the proposed tax rate, as follows:
 26-10 "(increase or decrease, as applicable) of (nominal difference
 26-11 between amount stated in second column of fifth row and amount
 26-12 stated in third column of fifth row), or (percentage difference
 26-13 between amount stated in second column of fifth row and amount
 26-14 stated in third column of fifth row)%".

26-15 (h) In calculating the average taxable value of a residence
 26-16 homestead in the taxing unit for the preceding tax year and the
 26-17 current tax year for purposes of Subsections (e) and (f), any
 26-18 residence homestead exemption available only to disabled persons,
 26-19 persons 65 years of age or older, or their surviving spouses must be
 26-20 disregarded.

26-21 SECTION 38. Section 26.065(b), Tax Code, is amended to read
 26-22 as follows:

26-23 (b) ~~The [If the] taxing unit [owns, operates, or controls an~~
 26-24 ~~Internet website, the unit]~~ shall post notice of the public hearing
 26-25 prominently on the home page of the Internet website of the taxing
 26-26 unit continuously for at least seven days immediately before the
 26-27 public hearing on the proposed tax rate increase and at least seven
 26-28 days immediately before the date of the vote proposing the increase
 26-29 in the tax rate.

26-30 SECTION 39. The heading to Section 26.08, Tax Code, is
 26-31 amended to read as follows:

26-32 Sec. 26.08. ELECTION TO APPROVE TAX RATE OF TAXING UNIT
 26-33 [RATIFY SCHOOL TAXES].

26-34 SECTION 40. Section 26.08, Tax Code, is amended by amending
 26-35 Subsections (a), (b), (d), (d-1), (d-2), (e), (g), (h), (i), (n),
 26-36 and (p) and adding Subsections (b-1) and (q) to read as follows:

26-37 (a) If the governing body of a taxing unit [school district]
 26-38 adopts a tax rate that exceeds the taxing unit's voter-approved
 26-39 [district's rollback] tax rate, the registered voters of the taxing
 26-40 unit [district] at an election held for that purpose must determine
 26-41 whether to approve the adopted tax rate. When increased
 26-42 expenditure of money by a taxing unit [school district] is
 26-43 necessary to respond to a disaster, including a tornado, hurricane,
 26-44 flood, or other calamity, but not including a drought, that has
 26-45 impacted the taxing unit [a school district] and the governor has
 26-46 declared any part of [requested federal disaster assistance for]
 26-47 the area in which the taxing unit [school district] is located as a
 26-48 disaster area, an election is not required under this section to
 26-49 approve the tax rate adopted by the governing body for the year
 26-50 following the year in which the disaster occurs.

26-51 (b) This subsection applies only to a taxing unit other than
 26-52 a school district. The governing body shall order that the election
 26-53 be held in the taxing unit [school district] on the uniform election
 26-54 date prescribed by [a date not less than 30 or more than 90 days
 26-55 after the day on which it adopted the tax rate.] Section 41.001,
 26-56 Election Code, that occurs in November of the applicable tax year.
 26-57 The order calling the election may not be issued later than August
 26-58 15 [does not apply to the election unless a date specified by that
 26-59 section falls within the time permitted by this section]. At the
 26-60 election, the ballots shall be prepared to permit voting for or
 26-61 against the proposition: "Approving the ad valorem tax rate of
 26-62 \$_____ per \$100 valuation in (name of taxing unit [school
 26-63 district]) for the current year, a rate that is \$_____ higher per
 26-64 \$100 valuation than the voter-approved [school district rollback]
 26-65 tax rate of (name of taxing unit), for the purpose of (description
 26-66 of purpose of increase)." The ballot proposition must include the
 26-67 adopted tax rate and the difference between that rate and the
 26-68 voter-approved [rollback] tax rate in the appropriate places.

26-69 (b-1) This subsection applies only to a school district.

27-1 The governing body of a school district shall order that the
 27-2 election be held in the school district on the uniform election date
 27-3 prescribed by Section 41.001, Election Code, that occurs in
 27-4 November of the applicable tax year. The order calling the election
 27-5 may not be issued later than August 15. At the election, the
 27-6 ballots shall be prepared to permit voting for or against the
 27-7 proposition: "Approving the ad valorem tax rate of \$___ per \$100
 27-8 valuation in (name of school district) for the current year, a rate
 27-9 that is \$_____ higher per \$100 valuation than the voter-approved
 27-10 tax rate of (name of school district), for the purpose of
 27-11 (description of purpose of increase). This rate will allow the
 27-12 school district to collect an amount of maintenance and operations
 27-13 tax revenue that is at least 2.5 percent greater than the amount of
 27-14 that revenue that was collected by the school district in the
 27-15 preceding year." The ballot proposition must include the adopted
 27-16 tax rate and the difference between that rate and the
 27-17 voter-approved tax rate in the appropriate places.

27-18 (d) If the proposition is not approved as provided by
 27-19 Subsection (c), the governing body may not adopt a tax rate for the
 27-20 taxing unit [~~school district~~] for the current year that exceeds the
 27-21 taxing unit's voter-approved [~~school district's rollback~~] tax rate.

27-22 (d-1) If, after tax bills for the taxing unit [~~school~~
 27-23 ~~district~~] have been mailed, a proposition to approve the taxing
 27-24 unit's [~~school district's~~] adopted tax rate is not approved by the
 27-25 voters of the taxing unit [~~district~~] at an election held under this
 27-26 section, on subsequent adoption of a new tax rate by the governing
 27-27 body of the taxing unit [~~district~~], the assessor for the taxing unit
 27-28 [~~school~~] shall prepare and mail corrected tax bills. The assessor
 27-29 shall include with each bill a brief explanation of the reason for
 27-30 and effect of the corrected bill. The date on which the taxes
 27-31 become delinquent for the year is extended by a number of days equal
 27-32 to the number of days between the date the first tax bills were sent
 27-33 and the date the corrected tax bills were sent.

27-34 (d-2) If a property owner pays taxes calculated using the
 27-35 originally adopted tax rate of the taxing unit [~~school district~~]
 27-36 and the proposition to approve the adopted tax rate is not approved
 27-37 by the voters, the taxing unit [~~school district~~] shall refund the
 27-38 difference between the amount of taxes paid and the amount due under
 27-39 the subsequently adopted rate if the difference between the amount
 27-40 of taxes paid and the amount due under the subsequent rate is \$1 or
 27-41 more. If the difference between the amount of taxes paid and the
 27-42 amount due under the subsequent rate is less than \$1, the taxing
 27-43 unit [~~school district~~] shall refund the difference on request of
 27-44 the taxpayer. An application for a refund of less than \$1 must be
 27-45 made within 90 days after the date the refund becomes due or the
 27-46 taxpayer forfeits the right to the refund.

27-47 (e) For purposes of this section, local tax funds dedicated
 27-48 to a junior college district under Section 45.105(e), Education
 27-49 Code, shall be eliminated from the calculation of the tax rate
 27-50 adopted by the governing body of a [~~the~~] school district. However,
 27-51 the funds dedicated to the junior college district are subject to
 27-52 Section 26.085.

27-53 (g) In a school district that received distributions from an
 27-54 equalization tax imposed under former Chapter 18, Education Code,
 27-55 the no-new-revenue tax [~~effective~~] rate of that tax as of the date
 27-56 of the county unit system's abolition is added to the district's
 27-57 voter-approved [~~rollback~~] tax rate.

27-58 (h) For purposes of this section, increases in taxable
 27-59 values and tax levies occurring within a reinvestment zone
 27-60 designated under Chapter 311 [~~(Tax Increment Financing Act)~~] in
 27-61 which a school [~~the~~] district is a participant[~~7~~] shall be
 27-62 eliminated from the calculation of the tax rate adopted by the
 27-63 governing body of the school district.

27-64 (i) For purposes of this section, the no-new-revenue
 27-65 [~~effective~~] maintenance and operations tax rate of a school
 27-66 district is the tax rate that, applied to the current total value
 27-67 for the district, would impose taxes in an amount that, when added
 27-68 to state funds that would be distributed to the district under
 27-69 Chapter 42, Education Code, for the school year beginning in the

28-1 current tax year using that tax rate, would provide the same amount
 28-2 of state funds distributed under Chapter 42, Education Code, and
 28-3 maintenance and operations taxes of the district per student in
 28-4 weighted average daily attendance for that school year that would
 28-5 have been available to the district in the preceding year if the
 28-6 funding elements for Chapters 41 and 42, Education Code, for the
 28-7 current year had been in effect for the preceding year.

28-8 (n) For purposes of this section, the voter-approved
 28-9 ~~[rollback]~~ tax rate of a school district ~~[whose maintenance and~~
 28-10 ~~operations tax rate for the 2005 tax year was \$1.50 or less per \$100~~
 28-11 ~~of taxable value]~~ is the sum of the following:

28-12 (1) the rate per \$100 of taxable value that is equal to
 28-13 the product of the no-new-revenue maintenance and operations tax
 28-14 rate of the district as computed under Subsection (i) and 1.025 ~~[for~~
 28-15 ~~the 2006 tax year, the sum of the rate that is equal to 88.67 percent~~
 28-16 ~~of the maintenance and operations tax rate adopted by the district~~
 28-17 ~~for the 2005 tax year, the rate of \$0.04 per \$100 of taxable value,~~
 28-18 ~~and the district's current debt rate]; and~~

28-19 (2) ~~[for the 2007 and subsequent tax years, the lesser~~
 28-20 ~~of the following:~~

28-21 ~~[(A) the sum of the following:~~

28-22 ~~[(i) the rate per \$100 of taxable value that~~
 28-23 ~~is equal to the product of the state compression percentage, as~~
 28-24 ~~determined under Section 42.2516, Education Code, for the current~~
 28-25 ~~year and \$1.50;~~

28-26 ~~[(ii) the rate of \$0.04 per \$100 of taxable~~
 28-27 ~~value;~~

28-28 ~~[(iii) the rate that is equal to the sum of~~
 28-29 ~~the differences for the 2006 and each subsequent tax year between~~
 28-30 ~~the adopted tax rate of the district for that year if the rate was~~
 28-31 ~~approved at an election under this section and the rollback tax rate~~
 28-32 ~~of the district for that year; and~~

28-33 ~~[(iv) the district's current debt rate; or~~

28-34 ~~[(B) the sum of the following:~~

28-35 ~~[(i) the effective maintenance and~~
 28-36 ~~operations tax rate of the district as computed under Subsection~~
 28-37 ~~(i) or (k), as applicable;~~

28-38 ~~[(ii) the rate per \$100 of taxable value~~
 28-39 ~~that is equal to the product of the state compression percentage, as~~
 28-40 ~~determined under Section 42.2516, Education Code, for the current~~
 28-41 ~~year and \$0.06; and~~

28-42 ~~[(iii)] the district's current debt rate.~~

28-43 (p) Notwithstanding Subsections (i) and ~~[7]~~ (n), ~~[and (o)],~~
 28-44 if for the preceding tax year a school district adopted a
 28-45 maintenance and operations tax rate that was less than the
 28-46 district's no-new-revenue ~~[effective]~~ maintenance and operations
 28-47 tax rate for that preceding tax year, the voter-approved ~~[rollback]~~
 28-48 tax rate of the district for the current tax year is calculated as
 28-49 if the district adopted a maintenance and operations tax rate for
 28-50 the preceding tax year that was equal to the district's
 28-51 no-new-revenue ~~[effective]~~ maintenance and operations tax rate for
 28-52 that preceding tax year.

28-53 (q) Except as otherwise expressly provided by law, this
 28-54 section does not apply to a tax imposed by a taxing unit if a
 28-55 provision of an uncodified local or special law enacted by the 86th
 28-56 Legislature, Regular Session, 2019, or by an earlier legislature
 28-57 provides that former Section 26.07 does not apply to a tax imposed
 28-58 by the taxing unit.

28-59 SECTION 41. The heading to Section 26.16, Tax Code, is
 28-60 amended to read as follows:

28-61 Sec. 26.16. POSTING OF TAX-RELATED INFORMATION ~~[TAX RATES]~~
 28-62 ON COUNTY'S INTERNET WEBSITE.

28-63 SECTION 42. Section 26.16, Tax Code, is amended by amending
 28-64 Subsections (a) and (d) and adding Subsections (a-1), (d-1), and
 28-65 (d-2) to read as follows:

28-66 (a) Each county shall maintain an Internet website. The
 28-67 county assessor-collector for each county ~~[that maintains an~~
 28-68 ~~Internet website]~~ shall post on the Internet website maintained by
 28-69 ~~[of]~~ the county the following information for the most recent five

29-1 tax years [~~beginning with the 2012 tax year~~] for each taxing unit
 29-2 all or part of the territory of which is located in the county:

- 29-3 (1) the adopted tax rate;
 29-4 (2) the maintenance and operations rate;
 29-5 (3) the debt rate;
 29-6 (4) the no-new-revenue [~~effective~~] tax rate;
 29-7 (5) the no-new-revenue [~~effective~~] maintenance and
 29-8 operations rate; and
 29-9 (6) the voter-approved [~~rollback~~] tax rate.

29-10 (a-1) For purposes of Subsection (a), a reference to the
 29-11 no-new-revenue tax rate or the no-new-revenue maintenance and
 29-12 operations rate includes the equivalent effective tax rate or
 29-13 effective maintenance and operations rate for a preceding year.
 29-14 This subsection expires January 1, 2026.

29-15 (d) The county assessor-collector shall post immediately
 29-16 below the table prescribed by Subsection (c) the following
 29-17 statement:

29-18 "The county is providing this table of property tax rate
 29-19 information as a service to the residents of the county. Each
 29-20 individual taxing unit is responsible for calculating the property
 29-21 tax rates listed in this table pertaining to that taxing unit and
 29-22 providing that information to the county.

29-23 "The adopted tax rate is the tax rate adopted by the governing
 29-24 body of a taxing unit.

29-25 "The maintenance and operations rate is the component of the
 29-26 adopted tax rate of a taxing unit that will impose the amount of
 29-27 taxes needed to fund maintenance and operation expenditures of the
 29-28 taxing unit for the following year.

29-29 "The debt rate is the component of the adopted tax rate of a
 29-30 taxing unit that will impose the amount of taxes needed to fund the
 29-31 taxing unit's debt service for the following year.

29-32 "The no-new-revenue [~~effective~~] tax rate is the tax rate that
 29-33 would generate the same amount of revenue in the current tax year as
 29-34 was generated by a taxing unit's adopted tax rate in the preceding
 29-35 tax year from property that is taxable in both the current tax year
 29-36 and the preceding tax year.

29-37 "The no-new-revenue [~~effective~~] maintenance and operations
 29-38 rate is the tax rate that would generate the same amount of revenue
 29-39 for maintenance and operations in the current tax year as was
 29-40 generated by a taxing unit's maintenance and operations rate in the
 29-41 preceding tax year from property that is taxable in both the current
 29-42 tax year and the preceding tax year.

29-43 "The voter-approved [~~rollback~~] tax rate is the highest tax
 29-44 rate a taxing unit may adopt before requiring voter approval at an
 29-45 election. ~~An [In the case of a taxing unit other than a school~~
 29-46 ~~district, the voters by petition may require that a rollback~~
 29-47 ~~election be held if the unit adopts a tax rate in excess of the~~
 29-48 ~~unit's rollback tax rate. In the case of a school district, an]~~
 29-49 election will automatically be held if a taxing unit [the district]
 29-50 wishes to adopt a tax rate in excess of the taxing unit's
 29-51 voter-approved [district's rollback] tax rate."

29-52 (d-1) In addition to posting the information described by
 29-53 Subsection (a), the county assessor-collector shall post on the
 29-54 Internet website of the county for each taxing unit all or part of
 29-55 the territory of which is located in the county:

29-56 (1) the tax rate calculation forms used by the
 29-57 designated officer or employee of each taxing unit to calculate the
 29-58 no-new-revenue and voter-approved tax rates of the taxing unit for
 29-59 the most recent five tax years beginning with the 2020 tax year, as
 29-60 certified by the designated officer or employee under Section
 29-61 26.04(d-2); and

29-62 (2) the name and official contact information for each
 29-63 member of the governing body of the taxing unit.

29-64 (d-2) Not later than August 1, the county
 29-65 assessor-collector shall post on the website the tax rate
 29-66 calculation forms described by Subsection (d-1)(1) for the current
 29-67 tax year.

29-68 SECTION 43. Chapter 26, Tax Code, is amended by adding
 29-69 Sections 26.17 and 26.18 to read as follows:

- 30-1 Sec. 26.17. DATABASE OF PROPERTY-TAX-RELATED INFORMATION.
30-2 (a) The chief appraiser of each appraisal district shall create
30-3 and maintain a property tax database that:
30-4 (1) is identified by the name of the county in which
30-5 the appraisal district is established instead of the name of the
30-6 appraisal district;
30-7 (2) contains information that is provided by
30-8 designated officers or employees of the taxing units that are
30-9 located in the appraisal district in the manner required by the
30-10 comptroller;
30-11 (3) is continuously updated as preliminary and revised
30-12 data become available to and are provided by the designated
30-13 officers or employees of taxing units;
30-14 (4) is accessible to the public; and
30-15 (5) is searchable by property address and owner,
30-16 except to the extent that access to the information in the database
30-17 is restricted by Section 25.025 or 25.026.
30-18 (b) The database must include, with respect to each property
30-19 listed on the appraisal roll for the appraisal district:
30-20 (1) the property's identification number;
30-21 (2) the property's market value;
30-22 (3) the property's taxable value;
30-23 (4) the name of each taxing unit in which the property
30-24 is located;
30-25 (5) for each taxing unit other than a school district
30-26 in which the property is located:
30-27 (A) the no-new-revenue tax rate; and
30-28 (B) the voter-approved tax rate;
30-29 (6) for each school district in which the property is
30-30 located:
30-31 (A) the tax rate that would maintain the same
30-32 amount of state and local revenue per weighted student that the
30-33 district received in the school year beginning in the preceding tax
30-34 year; and
30-35 (B) the voter-approved tax rate;
30-36 (7) the tax rate proposed by the governing body of each
30-37 taxing unit in which the property is located;
30-38 (8) for each taxing unit other than a school district
30-39 in which the property is located, the taxes that would be imposed on
30-40 the property if the taxing unit adopted a tax rate equal to:
30-41 (A) the no-new-revenue tax rate; and
30-42 (B) the proposed tax rate;
30-43 (9) for each school district in which the property is
30-44 located, the taxes that would be imposed on the property if the
30-45 district adopted a tax rate equal to:
30-46 (A) the tax rate that would maintain the same
30-47 amount of state and local revenue per weighted student that the
30-48 district received in the school year beginning in the preceding tax
30-49 year; and
30-50 (B) the proposed tax rate;
30-51 (10) for each taxing unit other than a school district
30-52 in which the property is located, the difference between the amount
30-53 calculated under Subdivision (8)(A) and the amount calculated under
30-54 Subdivision (8)(B);
30-55 (11) for each school district in which the property is
30-56 located, the difference between the amount calculated under
30-57 Subdivision (9)(A) and the amount calculated under Subdivision
30-58 (9)(B);
30-59 (12) the date and location of the public hearing, if
30-60 applicable, on the proposed tax rate to be held by the governing
30-61 body of each taxing unit in which the property is located;
30-62 (13) the date and location of the public meeting at
30-63 which the tax rate will be adopted to be held by the governing body
30-64 of each taxing unit in which the property is located; and
30-65 (14) for each taxing unit in which the property is
30-66 located, an e-mail address at which the taxing unit is capable of
30-67 receiving written comments regarding the proposed tax rate of the
30-68 taxing unit.
30-69 (c) The database must provide a link to the Internet website

31-1 used by each taxing unit in which the property is located to post
 31-2 the information described by Section 26.18.

31-3 (d) The officer or employee designated by the governing body
 31-4 of each taxing unit in which the property is located to calculate
 31-5 the no-new-revenue tax rate and the voter-approved tax rate for the
 31-6 taxing unit must electronically incorporate into the database:

31-7 (1) the information described by Subsections (b)(5),
 31-8 (6), (7), (12), and (13), as applicable, as the information becomes
 31-9 available; and

31-10 (2) the tax rate calculation forms prepared under
 31-11 Section 26.04(d-1) at the same time the designated officer or
 31-12 employee submits the tax rates to the governing body of the taxing
 31-13 unit under Section 26.04(e).

31-14 (e) The chief appraiser shall make the information
 31-15 described by Subsection (d)(1) and the tax rate calculation forms
 31-16 described by Subsection (d)(2) available to the public not later
 31-17 than the third business day after the date the information and forms
 31-18 are incorporated into the database.

31-19 Sec. 26.18. POSTING OF TAX RATE AND BUDGET INFORMATION BY
 31-20 TAXING UNIT ON WEBSITE. Each taxing unit shall maintain an Internet
 31-21 website or have access to a generally accessible Internet website
 31-22 that may be used for the purposes of this section. Each taxing unit
 31-23 shall post or cause to be posted on the Internet website the
 31-24 following information in a format prescribed by the comptroller:

31-25 (1) the name of each member of the governing body of
 31-26 the taxing unit;

31-27 (2) the mailing address, e-mail address, and telephone
 31-28 number of the taxing unit;

31-29 (3) the official contact information for each member
 31-30 of the governing body of the taxing unit, if that information is
 31-31 different from the information described by Subdivision (2);

31-32 (4) the taxing unit's budget for the preceding two
 31-33 years;

31-34 (5) the taxing unit's proposed or adopted budget for
 31-35 the current year;

31-36 (6) the change in the amount of the taxing unit's
 31-37 budget from the preceding year to the current year, by dollar amount
 31-38 and percentage;

31-39 (7) in the case of a taxing unit other than a school
 31-40 district, the amount of property tax revenue budgeted for
 31-41 maintenance and operations for:

31-42 (A) the preceding two years; and

31-43 (B) the current year;

31-44 (8) in the case of a taxing unit other than a school
 31-45 district, the amount of property tax revenue budgeted for debt
 31-46 service for:

31-47 (A) the preceding two years; and

31-48 (B) the current year;

31-49 (9) the tax rate for maintenance and operations
 31-50 adopted by the taxing unit for the preceding two years;

31-51 (10) in the case of a taxing unit other than a school
 31-52 district, the tax rate for debt service adopted by the taxing unit
 31-53 for the preceding two years;

31-54 (11) in the case of a school district, the interest and
 31-55 sinking fund tax rate adopted by the district for the preceding two
 31-56 years;

31-57 (12) the tax rate for maintenance and operations
 31-58 proposed by the taxing unit for the current year;

31-59 (13) in the case of a taxing unit other than a school
 31-60 district, the tax rate for debt service proposed by the taxing unit
 31-61 for the current year;

31-62 (14) in the case of a school district, the interest and
 31-63 sinking fund tax rate proposed by the district for the current year;
 31-64 and

31-65 (15) the most recent financial audit of the taxing
 31-66 unit.

31-67 SECTION 44. Sections 31.12(a) and (b), Tax Code, are
 31-68 amended to read as follows:

31-69 (a) If a refund of a tax provided by Section 11.431(b),

32-1 26.08(d-2) [~~26.07(g)~~], 26.15(f), 31.11, 31.111, or 31.112 is paid
 32-2 on or before the 60th day after the date the liability for the
 32-3 refund arises, no interest is due on the amount refunded. If not
 32-4 paid on or before that 60th day, the amount of the tax to be refunded
 32-5 accrues interest at a rate of one percent for each month or part of a
 32-6 month that the refund is unpaid, beginning with the date on which
 32-7 the liability for the refund arises.

32-8 (b) For purposes of this section, liability for a refund
 32-9 arises:

32-10 (1) if the refund is required by Section 11.431(b), on
 32-11 the date the chief appraiser notifies the collector for the taxing
 32-12 unit of the approval of the late homestead exemption;

32-13 (2) if the refund is required by Section 26.08(d-2)
 32-14 [~~26.07(g)~~], on the date the subsequent tax rate is adopted [~~results~~
 32-15 ~~of the election to reduce the tax rate are certified~~];

32-16 (3) if the refund is required by Section 26.15(f):

32-17 (A) for a correction to the tax roll made under
 32-18 Section 26.15(b), on the date the change in the tax roll is
 32-19 certified to the assessor for the taxing unit under Section 25.25;
 32-20 or

32-21 (B) for a correction to the tax roll made under
 32-22 Section 26.15(c), on the date the change in the tax roll is ordered
 32-23 by the governing body of the taxing unit;

32-24 (4) if the refund is required by Section 31.11, on the
 32-25 date the auditor for the taxing unit determines that the payment was
 32-26 erroneous or excessive or, if the amount of the refund exceeds the
 32-27 applicable amount specified by Section 31.11(a), on the date the
 32-28 governing body of the taxing unit approves the refund;

32-29 (5) if the refund is required by Section 31.111, on the
 32-30 date the collector for the taxing unit determines that the payment
 32-31 was erroneous; or

32-32 (6) if the refund is required by Section 31.112, on the
 32-33 date required by Section 31.112(d) or (e), as applicable.

32-34 SECTION 45. Section 33.08(b), Tax Code, is amended to read
 32-35 as follows:

32-36 (b) The governing body of the taxing unit or appraisal
 32-37 district, in the manner required by law for official action, may
 32-38 provide that taxes that become delinquent on or after June 1 under
 32-39 Section 26.08(d-1) [~~26.07(f)~~], 26.15(e), 31.03, 31.031, 31.032,
 32-40 31.04, or 42.42 incur an additional penalty to defray costs of
 32-41 collection. The amount of the penalty may not exceed the amount of
 32-42 the compensation specified in the applicable contract with an
 32-43 attorney under Section 6.30 to be paid in connection with the
 32-44 collection of the delinquent taxes.

32-45 SECTION 46. Section 41.03(a), Tax Code, is amended to read
 32-46 as follows:

32-47 (a) A taxing unit is entitled to challenge before the
 32-48 appraisal review board:

32-49 (1) [~~the level of appraisals of any category of~~
 32-50 ~~property in the district or in any territory in the district, but~~
 32-51 ~~not the appraised value of a single taxpayer's property,~~

32-52 [~~2~~] an exclusion of property from the appraisal
 32-53 records;

32-54 (2) [~~3~~] a grant in whole or in part of a partial
 32-55 exemption;

32-56 (3) [~~4~~] a determination that land qualifies for
 32-57 appraisal as provided by Subchapter C, D, E, or H, Chapter 23; or

32-58 (4) [~~5~~] failure to identify the taxing unit as one
 32-59 in which a particular property is taxable.

32-60 SECTION 47. Section 41.44(d), Tax Code, is amended to read
 32-61 as follows:

32-62 (d) A notice of protest is sufficient if it identifies the
 32-63 protesting property owner, including a person claiming an ownership
 32-64 interest in the property even if that person is not listed on the
 32-65 appraisal records as an owner of the property, identifies the
 32-66 property that is the subject of the protest, and indicates apparent
 32-67 dissatisfaction with some determination of the appraisal office.
 32-68 The notice need not be on an official form, but the comptroller
 32-69 shall prescribe a form that provides for more detail about the

33-1 nature of the protest. The form must permit a property owner to
 33-2 include each property in the appraisal district that is the subject
 33-3 of a protest. The form must permit a property owner to request that
 33-4 the protest be heard by a special panel established under Section
 33-5 6.425 if the protest will be determined by an appraisal review board
 33-6 to which that section applies and the property is included in a
 33-7 classification described by Section 6.425(b). The comptroller,
 33-8 each appraisal office, and each appraisal review board shall make
 33-9 the forms readily available and deliver one to a property owner on
 33-10 request.

33-11 SECTION 48. Section 41.45, Tax Code, is amended by amending
 33-12 Subsection (d) and adding Subsections (d-1), (d-2), and (d-3) to
 33-13 read as follows:

33-14 (d) This subsection does not apply to a special panel
 33-15 established under Section 6.425. An appraisal review board
 33-16 consisting of more than three members may sit in panels of not fewer
 33-17 than three members to conduct protest hearings. ~~[However, the~~
 33-18 ~~determination of a protest heard by a panel must be made by the~~
 33-19 ~~board.]~~ If the recommendation of a panel is not accepted by the
 33-20 board, the board may refer the matter for rehearing to a panel
 33-21 composed of members who did not hear the original protest ~~[hearing]~~
 33-22 or, if there are not at least three members who did not hear the
 33-23 original protest, the board may determine the protest. ~~[Before~~
 33-24 ~~determining a protest or conducting a rehearing before a new panel~~
 33-25 ~~or the board, the board shall deliver notice of the hearing or~~
 33-26 ~~meeting to determine the protest in accordance with the provisions~~
 33-27 ~~of this subchapter.]~~

33-28 (d-1) An appraisal review board to which Section 6.425
 33-29 applies shall sit in special panels established under that section
 33-30 to conduct protest hearings. A special panel may conduct a protest
 33-31 hearing relating to property only if the property is described by
 33-32 Section 6.425(b) and the property owner has requested that a
 33-33 special panel conduct the hearing or if the protest is assigned to
 33-34 the special panel under Section 6.425(f). If the recommendation of
 33-35 a special panel is not accepted by the board, the board may refer
 33-36 the matter for rehearing to another special panel composed of
 33-37 members who did not hear the original protest or, if there are not
 33-38 at least three other special panel members who did not hear the
 33-39 original protest, the board may determine the protest.

33-40 (d-2) The determination of a protest heard by a panel under
 33-41 Subsection (d) or (d-1) must be made by the board.

33-42 (d-3) The board must deliver notice of a hearing or meeting
 33-43 to determine a protest heard by a panel, or to rehear a protest,
 33-44 under Subsection (d) or (d-1) in accordance with the provisions of
 33-45 this subchapter.

33-46 SECTION 49. Section 41.46(a), Tax Code, is amended to read
 33-47 as follows:

33-48 (a) The appraisal review board before which a protest
 33-49 hearing is scheduled shall deliver written notice to the property
 33-50 owner initiating a protest of the date, time, ~~and~~ place, and
 33-51 subject matter of ~~[fixed for]~~ the hearing on the protest and of the
 33-52 property owner's entitlement to a postponement of the hearing as
 33-53 provided by Section 41.45 unless the property owner waives in
 33-54 writing notice of the hearing. The board shall deliver the notice
 33-55 not later than the 15th day before the date of the hearing.

33-56 SECTION 50. Section 41.461, Tax Code, is amended to read as
 33-57 follows:

33-58 Sec. 41.461. NOTICE OF CERTAIN MATTERS BEFORE HEARING;
 33-59 DELIVERY OF REQUESTED INFORMATION. (a) At least 14 days before
 33-60 the first scheduled ~~[a]~~ hearing on a protest, the chief appraiser
 33-61 shall:

33-62 (1) deliver a copy of the pamphlet prepared by the
 33-63 comptroller under Section 5.06 ~~[5.06(a)]~~ to the property owner
 33-64 initiating the protest if the owner is representing himself, or to
 33-65 an agent representing the owner if requested by the agent;

33-66 (2) inform the property owner that the owner or the
 33-67 agent of the owner is entitled on request to ~~[may inspect and may~~
 33-68 ~~obtain]~~ a copy of the data, schedules, formulas, and all other
 33-69 information the chief appraiser will ~~[plans to]~~ introduce at the

34-1 hearing to establish any matter at issue; and

34-2 (3) deliver a copy of the hearing procedures
34-3 established by the appraisal review board under Section 41.66 to
34-4 the property owner.

34-5 (b) The chief appraiser may not charge a property owner or
34-6 the designated agent of the owner for copies provided to the [an]
34-7 owner or designated agent under this section, regardless of the
34-8 manner in which the copies are prepared or delivered [may not exceed
34-9 the charge for copies of public information as provided under
34-10 Subchapter F, Chapter 552, Government Code, except:

34-11 [(1) the total charge for copies provided in
34-12 connection with a protest of the appraisal of residential property
34-13 may not exceed \$15 for each residence; and

34-14 [(2) the total charge for copies provided in
34-15 connection with a protest of the appraisal of a single unit of
34-16 property subject to appraisal, other than residential property, may
34-17 not exceed \$25].

34-18 (c) A chief appraiser shall deliver information requested
34-19 by a property owner or the agent of the owner under Subsection
34-20 (a)(2):

34-21 (1) by regular first-class mail, deposited in the
34-22 United States mail, postage prepaid, and addressed to the property
34-23 owner or agent at the address provided in the request for the
34-24 information;

34-25 (2) in an electronic format as provided by an
34-26 agreement under Section 1.085; or

34-27 (3) subject to Subsection (d), by referring the
34-28 property owner or the agent of the owner to a secure Internet
34-29 website with user registration and authentication or to the exact
34-30 Internet location or uniform resource locator (URL) address on an
34-31 Internet website maintained by the appraisal district on which the
34-32 requested information is identifiable and readily available.

34-33 (d) If a chief appraiser provides a property owner or the
34-34 agent of the owner information under Subsection (c)(3), the notice
34-35 must contain a statement in a conspicuous font that clearly
34-36 indicates that the property owner or the agent of the owner may on
34-37 request receive the information by regular first-class mail or in
34-38 person at the appraisal office. On request by a property owner or
34-39 the agent of the owner, the chief appraiser must provide the
34-40 information by regular first-class mail or in person at the
34-41 appraisal office.

34-42 SECTION 51. Section 41.47, Tax Code, is amended by amending
34-43 Subsections (c) and (e) and adding Subsections (c-2), (f), and (g)
34-44 to read as follows:

34-45 (c) If the protest is of the determination of the appraised
34-46 value of the owner's property, the appraisal review board must
34-47 state in the order the appraised value of the property, listed
34-48 separately in the case of real property as the appraised value of
34-49 the land and the appraised value of any improvement to the land:

34-50 (1) as shown in the appraisal records submitted to the
34-51 board by the chief appraiser under Section 25.22 or 25.23; and

34-52 (2) as finally determined by the board.

34-53 (c-2) The board may not determine the appraised value of the
34-54 property that is the subject of a protest to be an amount greater
34-55 than the appraised value of the property as shown in the appraisal
34-56 records submitted to the board by the chief appraiser under Section
34-57 25.22 or 25.23, except as requested and agreed to by the property
34-58 owner.

34-59 (e) The notice of the issuance of the order must contain a
34-60 prominently printed statement in upper-case bold lettering
34-61 informing the property owner in clear and concise language of the
34-62 property owner's right to appeal the order of the board [board's
34-63 decision] to district court. The statement must describe the
34-64 deadline prescribed by Section 42.06(a) [of this code] for filing a
34-65 written notice of appeal[7] and the deadline prescribed by Section
34-66 42.21(a) [of this code] for filing the petition for review with the
34-67 district court.

34-68 (f) The appraisal review board shall take the actions
34-69 required by Subsections (a) and (d) not later than the 15th day

35-1 after the date the hearing on the protest is concluded.

35-2 (g) The chief appraiser and the property owner or the
 35-3 designated agent of the owner may file a joint motion with the
 35-4 appraisal review board notifying the board that the chief appraiser
 35-5 and the property owner or the designated agent of the owner have
 35-6 agreed to a disposition of the protest and requesting the board to
 35-7 issue an agreed order. The joint motion must contain the terms of
 35-8 the disposition of the protest. The board shall issue the agreed
 35-9 order not later than the fifth day after the date on which the joint
 35-10 motion is filed with the board. The chief appraiser and the
 35-11 property owner or the designated agent of the owner may provide in
 35-12 the joint motion that the agreed order is appealable in the same
 35-13 manner as any other order issued by the board under this section.

35-14 SECTION 52. Section 41.66, Tax Code, is amended by amending
 35-15 Subsections (h), (i), (j), and (k) and adding Subsections (j-1),
 35-16 (k-1), and (p) to read as follows:

35-17 (h) The appraisal review board shall postpone a hearing on a
 35-18 protest if the property owner or the designated agent of the owner
 35-19 requests additional time to prepare for the hearing and establishes
 35-20 to the board that the chief appraiser failed to comply with Section
 35-21 41.461. The board is not required to postpone a hearing more than
 35-22 one time under this subsection.

35-23 (i) A hearing on a protest filed by a property owner or the
 35-24 designated agent of the owner [~~who is not represented by an agent~~
 35-25 ~~designated under Section 1.111]~~ shall be set for a time and date
 35-26 certain. If the hearing is not commenced within two hours of the
 35-27 time set for the hearing, the appraisal review board shall postpone
 35-28 the hearing on the request of the property owner or the designated
 35-29 agent of the owner.

35-30 (j) On the request of a property owner or the [~~a~~] designated
 35-31 agent of the owner, an appraisal review board shall schedule
 35-32 hearings on protests concerning up to 20 designated properties to
 35-33 be held consecutively on the same day. The designated properties
 35-34 must be identified in the same notice of protest, and the notice
 35-35 must contain in boldfaced type the statement "request for same-day
 35-36 protest hearings." A property owner or the designated agent of the
 35-37 owner may [~~not~~] file more than one request under this subsection
 35-38 with the appraisal review board in the same tax year. The appraisal
 35-39 review board may schedule hearings on protests concerning more than
 35-40 20 properties filed by the same property owner or the designated
 35-41 agent of the owner and may use different panels to conduct the
 35-42 hearings based on the board's customary scheduling. The appraisal
 35-43 review board may follow the practices customarily used by the board
 35-44 in the scheduling of hearings under this subsection.

35-45 (j-1) An appraisal review board may schedule the hearings on
 35-46 all protests filed by a property owner or the designated agent of
 35-47 the owner to be held consecutively. The notice of the hearings must
 35-48 state the date and time that the first hearing will begin, state the
 35-49 date the last hearing will end, and list the order in which the
 35-50 hearings will be held. The order of the hearings listed in the
 35-51 notice may not be changed without the agreement of the property
 35-52 owner or the designated agent of the owner, the chief appraiser, and
 35-53 the appraisal review board. The board may not reschedule a hearing
 35-54 for which notice is given under this subsection to a date earlier
 35-55 than the seventh day after the date the last hearing was scheduled
 35-56 to end unless agreed to by the property owner or the designated
 35-57 agent of the owner, the chief appraiser, and the appraisal review
 35-58 board. Unless agreed to by the parties, the board must provide
 35-59 written notice of the date and time of the rescheduled hearing to
 35-60 the property owner or the designated agent of the owner not later
 35-61 than the seventh day before the date of the hearing.

35-62 (k) This subsection does not apply to a special panel
 35-63 established under Section 6.425. If an appraisal review board sits
 35-64 in panels to conduct protest hearings, protests shall be randomly
 35-65 assigned to panels, except that the board may consider the type of
 35-66 property subject to the protest or the ground of the protest for the
 35-67 purpose of using the expertise of a particular panel in hearing
 35-68 protests regarding particular types of property or based on
 35-69 particular grounds. If a protest is scheduled to be heard by a

36-1 particular panel, the protest may not be reassigned to another
 36-2 panel without the consent of the property owner or the designated
 36-3 agent of the owner. If the appraisal review board has cause to
 36-4 reassign a protest to another panel, a property owner or the
 36-5 designated agent of the owner may agree to reassignment of the
 36-6 protest or may request that the hearing on the protest be postponed.
 36-7 The board shall postpone the hearing on that request. A change of
 36-8 members of a panel because of a conflict of interest, illness, or
 36-9 inability to continue participating in hearings for the remainder
 36-10 of the day does not constitute reassignment of a protest to another
 36-11 panel.

36-12 (k-1) On the request of a property owner or the designated
 36-13 agent of the owner, an appraisal review board to which Section 6.425
 36-14 applies shall assign a protest relating to property described by
 36-15 Section 6.425(b) to a special panel. In addition, the chairman of
 36-16 the appraisal review board may assign a protest relating to
 36-17 property not described by Section 6.425(b) to a special panel as
 36-18 authorized by Section 6.425(f), but only if the assignment is
 36-19 requested or consented to by the property owner or the designated
 36-20 agent of the owner. Protests assigned to special panels shall be
 36-21 randomly assigned to those panels. If a protest is scheduled to be
 36-22 heard by a particular special panel, the protest may not be
 36-23 reassigned to another special panel without the consent of the
 36-24 property owner or the designated agent of the owner. If the board
 36-25 has cause to reassign a protest to another special panel, a property
 36-26 owner or the designated agent of the owner may agree to reassignment
 36-27 of the protest or may request that the hearing on the protest be
 36-28 postponed. The board shall postpone the hearing on that request. A
 36-29 change of members of a special panel because of a conflict of
 36-30 interest, illness, or inability to continue participating in
 36-31 hearings for the remainder of the day does not constitute
 36-32 reassignment of a protest to another special panel.

36-33 (p) At the end of a hearing on a protest, the appraisal
 36-34 review board shall provide the property owner or the designated
 36-35 agent of the owner one or more documents indicating that the members
 36-36 of the board hearing the protest signed the affidavit required by
 36-37 Subsection (g).

36-38 SECTION 53. Section 41.67(d), Tax Code, is amended to read
 36-39 as follows:

36-40 (d) Information that was previously requested under Section
 36-41 41.461 by the protesting party that was not delivered [made
 36-42 available] to the protesting party at least 14 days before the
 36-43 scheduled or postponed hearing may not be used or offered in any
 36-44 form as evidence in the hearing, including as a document or through
 36-45 argument or testimony.

36-46 SECTION 54. Section 41.71, Tax Code, is amended to read as
 36-47 follows:

36-48 Sec. 41.71. EVENING AND WEEKEND HEARINGS. (a) An
 36-49 appraisal review board by rule shall provide for hearings on
 36-50 protests [in the evening or] on a Saturday or after 5 p.m. on a
 36-51 weekday [Sunday].

36-52 (b) The board may not schedule:

36-53 (1) the first hearing on a protest held on a weekday
 36-54 evening to begin after 7 p.m.; or

36-55 (2) a hearing on a protest on a Sunday.

36-56 SECTION 55. Section 41A.03(a), Tax Code, is amended to read
 36-57 as follows:

36-58 (a) To appeal an appraisal review board order under this
 36-59 chapter, a property owner must file with the appraisal district not
 36-60 later than the 60th [45th] day after the date the property owner
 36-61 receives notice of the order:

36-62 (1) a completed request for binding arbitration under
 36-63 this chapter in the form prescribed by Section 41A.04; and

36-64 (2) an arbitration deposit made payable to the
 36-65 comptroller in the amount of:

36-66 (A) \$450, if the property qualifies as the
 36-67 owner's residence homestead under Section 11.13 and the appraised
 36-68 or market value, as applicable, of the property is \$500,000 or less,
 36-69 as determined by the order;

37-1 (B) \$500, if the property qualifies as the
 37-2 owner's residence homestead under Section 11.13 and the appraised
 37-3 or market value, as applicable, of the property is more than
 37-4 \$500,000, as determined by the order;

37-5 (C) \$500, if the property does not qualify as the
 37-6 owner's residence homestead under Section 11.13 and the appraised
 37-7 or market value, as applicable, of the property is \$1 million or
 37-8 less, as determined by the order;

37-9 (D) \$800, if the property does not qualify as the
 37-10 owner's residence homestead under Section 11.13 and the appraised
 37-11 or market value, as applicable, of the property is more than \$1
 37-12 million but not more than \$2 million, as determined by the order;

37-13 (E) \$1,050, if the property does not qualify as
 37-14 the owner's residence homestead under Section 11.13 and the
 37-15 appraised or market value, as applicable, of the property is more
 37-16 than \$2 million but not more than \$3 million, as determined by the
 37-17 order; or

37-18 (F) \$1,550, if the property does not qualify as
 37-19 the owner's residence homestead under Section 11.13 and the
 37-20 appraised or market value, as applicable, of the property is more
 37-21 than \$3 million but not more than \$5 million, as determined by the
 37-22 order.

37-23 SECTION 56. Section 41A.05, Tax Code, is amended by adding
 37-24 Subsection (c) to read as follows:

37-25 (c) The comptroller may not reject an application submitted
 37-26 to the comptroller under this section unless:

37-27 (1) the comptroller delivers written notice to the
 37-28 applicant of the defect in the application that would be the cause
 37-29 of the rejection; and

37-30 (2) the applicant fails to cure the defect on or before
 37-31 the 15th day after the date the comptroller delivers the notice.

37-32 SECTION 57. Section 41A.06(b), Tax Code, is amended to read
 37-33 as follows:

37-34 (b) To initially qualify to serve as an arbitrator under
 37-35 this chapter, a person must:

37-36 (1) meet the following requirements, as applicable:

37-37 (A) be licensed as an attorney in this state; or

37-38 (B) have:

37-39 (i) completed at least 30 hours of training
 37-40 in arbitration and alternative dispute resolution procedures from a
 37-41 university, college, or legal or real estate trade association; and

37-42 (ii) been licensed or certified
 37-43 continuously during the five years preceding the date the person
 37-44 agrees to serve as an arbitrator as:

37-45 (a) a real estate broker or sales
 37-46 agent under Chapter 1101, Occupations Code;

37-47 (b) a real estate appraiser under
 37-48 Chapter 1103, Occupations Code; or

37-49 (c) a certified public accountant
 37-50 under Chapter 901, Occupations Code; ~~and~~

37-51 (2) complete the course for training and education of
 37-52 appraisal review board members established under Section 5.041 and
 37-53 be issued a certificate indicating course completion;

37-54 (3) complete the training program on property tax law
 37-55 for the training and education of arbitrators established under
 37-56 Section 5.043; and

37-57 (4) agree to conduct an arbitration for a fee that is
 37-58 not more than:

37-59 (A) \$400, if the property qualifies as the
 37-60 owner's residence homestead under Section 11.13 and the appraised
 37-61 or market value, as applicable, of the property is \$500,000 or less,
 37-62 as determined by the order;

37-63 (B) \$450, if the property qualifies as the
 37-64 owner's residence homestead under Section 11.13 and the appraised
 37-65 or market value, as applicable, of the property is more than
 37-66 \$500,000, as determined by the order;

37-67 (C) \$450, if the property does not qualify as the
 37-68 owner's residence homestead under Section 11.13 and the appraised
 37-69 or market value, as applicable, of the property is \$1 million or

38-1 less, as determined by the order;

38-2 (D) \$750, if the property does not qualify as the
38-3 owner's residence homestead under Section 11.13 and the appraised
38-4 or market value, as applicable, of the property is more than \$1
38-5 million but not more than \$2 million, as determined by the order;

38-6 (E) \$1,000, if the property does not qualify as
38-7 the owner's residence homestead under Section 11.13 and the
38-8 appraised or market value, as applicable, of the property is more
38-9 than \$2 million but not more than \$3 million, as determined by the
38-10 order; or

38-11 (F) \$1,500, if the property does not qualify as
38-12 the owner's residence homestead under Section 11.13 and the
38-13 appraised or market value, as applicable, of the property is more
38-14 than \$3 million but not more than \$5 million, as determined by the
38-15 order.

38-16 SECTION 58. Section 41A.061(b), Tax Code, is amended to
38-17 read as follows:

38-18 (b) To renew the person's agreement to serve as an
38-19 arbitrator, the person must:

38-20 (1) file a renewal application with the comptroller at
38-21 the time and in the manner prescribed by the comptroller;

38-22 (2) continue to meet the requirements provided by
38-23 Sections 41A.06(b)(1) and (4) [~~Section 41A.06(b)~~]; and

38-24 (3) during the preceding two years have completed at
38-25 least eight hours of continuing education in arbitration and
38-26 alternative dispute resolution procedures offered by a university,
38-27 college, real estate trade association, or legal association.

38-28 SECTION 59. Section 41A.07, Tax Code, is amended by
38-29 amending Subsections (e), (f), and (g) and adding Subsection (h) to
38-30 read as follows:

38-31 (e) To be eligible for appointment as an arbitrator under
38-32 this section [~~Subsection (a)~~], the arbitrator must reside[~~+~~

38-33 [~~(1) in the county in which the property that is the~~
38-34 ~~subject of the appeal is located; or~~

38-35 [~~(2) in this state [if no available arbitrator on the~~
38-36 ~~registry resides in that county]~~.

38-37 (f) A person is not eligible for appointment as an
38-38 arbitrator under this section [~~Subsection (a)~~] if at any time
38-39 during the preceding five years, the person has:

38-40 (1) represented a person for compensation in a
38-41 proceeding under this title in the appraisal district in which the
38-42 property that is the subject of the appeal is located;

38-43 (2) served as an officer or employee of that appraisal
38-44 district; or

38-45 (3) served as a member of the appraisal review board
38-46 for that appraisal district.

38-47 (g) The comptroller may not appoint an arbitrator under this
38-48 section [~~Subsection (a)~~] if the comptroller determines that there
38-49 is good cause not to appoint the arbitrator, including information
38-50 or evidence indicating repeated bias or misconduct by the person
38-51 while acting as an arbitrator.

38-52 (h) A property owner may request that, in appointing an
38-53 initial arbitrator under this section, the comptroller appoint an
38-54 arbitrator who resides in the county in which the property that is
38-55 the subject of the appeal is located or an arbitrator who resides
38-56 outside that county. In appointing an initial arbitrator under
38-57 Subsection (a), the comptroller shall comply with the request of
38-58 the property owner unless the property owner requests that the
38-59 comptroller appoint an arbitrator who resides in the county in
38-60 which the property that is the subject of the appeal is located and
38-61 there is not an available arbitrator who resides in that county. In
38-62 appointing a substitute arbitrator under Subsection (d), the
38-63 comptroller shall consider but is not required to comply with the
38-64 request of the property owner. This subsection does not authorize a
38-65 property owner to request the appointment of a specific individual
38-66 as an arbitrator.

38-67 SECTION 60. Section 41A.09, Tax Code, is amended by
38-68 amending Subsection (b) and adding Subsection (f) to read as
38-69 follows:

39-1 (b) An award under this section:

39-2 (1) must include a determination of the appraised or
39-3 market value, as applicable, of the property that is the subject of
39-4 the appeal;

39-5 (2) may include any remedy or relief a court may order
39-6 under Chapter 42 in an appeal relating to the appraised or market
39-7 value of property;

39-8 (3) shall specify the arbitrator's fee, which may not
39-9 exceed the amount provided by Section 41A.06(b)(4) [~~41A.06(b)(2)~~];

39-10 (4) is final and may not be appealed except as
39-11 permitted under Section 171.088, Civil Practice and Remedies Code,
39-12 for an award subject to that section; and

39-13 (5) may be enforced in the manner provided by
39-14 Subchapter D, Chapter 171, Civil Practice and Remedies Code.

39-15 (f) The arbitrator may not determine the appraised value of
39-16 the property that is the subject of an arbitration to be an amount
39-17 greater than the appraised value of the property as shown in the
39-18 appraisal records submitted to the appraisal review board by the
39-19 chief appraiser under Section 25.22 or 25.23, except as requested
39-20 and agreed to by the property owner.

39-21 SECTION 61. Subchapter A, Chapter 42, Tax Code, is amended
39-22 by adding Section 42.081 to read as follows:

39-23 Sec. 42.081. DEFERRAL OF DELINQUENT TAX SUIT DURING APPEAL.
39-24 A taxing unit that imposes taxes on property that is the subject of
39-25 an appeal under this chapter may not file a suit to collect a
39-26 delinquent tax on the property during the pendency of the appeal
39-27 unless it is determined by the court that the property owner failed
39-28 to comply with Section 42.08.

39-29 SECTION 62. Section 42.23, Tax Code, is amended by adding
39-30 Subsections (j), (k), and (l) to read as follows:

39-31 (j) An entity is not required to be registered to do
39-32 business in this state in order to file an appeal under this chapter
39-33 or to be considered a proper party to bring a petition. A request
39-34 for information regarding an entity's registration status is
39-35 outside the scope of permissible discovery in an appeal under this
39-36 chapter and may not be made a prerequisite to a settlement
39-37 discussion related to that appeal.

39-38 (k) A party to an appeal under this chapter may file an
39-39 objection to third-party discovery. The court shall grant
39-40 third-party discovery subject to the objection only if the
39-41 discovery:

39-42 (1) is necessary under generally accepted appraisal
39-43 methods and techniques to determine the value of the property that
39-44 is the subject of the appeal; and

39-45 (2) would be admissible at trial.

39-46 (l) A party to an appeal under Section 42.26 may file an
39-47 objection to a discovery request for a closing statement, a rent
39-48 roll, or an operating statement. The court shall grant the
39-49 discovery request subject to the objection only if the discovery:

39-50 (1) is necessary under generally accepted appraisal
39-51 methods and techniques to determine the value of the property that
39-52 is the subject of the appeal; and

39-53 (2) would be admissible at trial.

39-54 SECTION 63. Section 42.24, Tax Code, is amended to read as
39-55 follows:

39-56 Sec. 42.24. ACTION BY COURT. (a) In determining an
39-57 appeal, the district court may:

39-58 (1) fix the appraised value of property in accordance
39-59 with the requirements of law if the appraised value is at issue;

39-60 (2) enter the orders necessary to ensure equal
39-61 treatment under the law for the appealing property owner if
39-62 inequality in the appraisal of his property is at issue; or

39-63 (3) enter other orders necessary to preserve rights
39-64 protected by and impose duties required by the law.

39-65 (b) The district court may not enter an order fixing the
39-66 appraised value of the property that is the subject of an appeal to
39-67 be an amount greater than the appraised value of the property as
39-68 shown in the appraisal records submitted to the appraisal review
39-69 board by the chief appraiser under Section 25.22 or 25.23, except as

40-1 requested and agreed to by the property owner.

40-2 SECTION 64. Section 45.105(e), Education Code, is amended
40-3 to read as follows:

40-4 (e) The governing body of an independent school district
40-5 that governs a junior college district under Subchapter B, Chapter
40-6 130, in a county with a population of more than two million may
40-7 dedicate a specific percentage of the local tax levy to the use of
40-8 the junior college district for facilities and equipment or for the
40-9 maintenance and operating expenses of the junior college district.
40-10 To be effective, the dedication must be made by the governing body
40-11 on or before the date on which the governing body adopts its tax
40-12 rate for a year. The amount of local tax funds derived from the
40-13 percentage of the local tax levy dedicated to a junior college
40-14 district from a tax levy may not exceed the amount that would be
40-15 levied by five percent of the no-new-revenue [~~effective~~] tax rate
40-16 for the tax year calculated as provided by Section 26.04, Tax Code,
40-17 on all property taxable by the school district. All real property
40-18 purchased with these funds is the property of the school district,
40-19 but is subject to the exclusive control of the governing body of the
40-20 junior college district for as long as the junior college district
40-21 uses the property for educational purposes.

40-22 SECTION 65. Section 130.016(b), Education Code, is amended
40-23 to read as follows:

40-24 (b) If the board of trustees of an independent school
40-25 district that divests itself of the management, control, and
40-26 operation of a junior college district under this section or under
40-27 Section 130.017 [~~of this code~~] was authorized by [~~Subsection (e)~~
40-28 ~~of~~] Section 45.105(e) or under former Section 20.48(e) [~~20.48 of~~
40-29 ~~this code~~] to dedicate a portion of its tax levy to the junior
40-30 college district before the divestment, the junior college district
40-31 may levy an ad valorem tax from and after the divestment. In the
40-32 first two years in which the junior college district levies an ad
40-33 valorem tax, the tax rate adopted by the governing body may not
40-34 exceed the rate that, if applied to the total taxable value
40-35 submitted to the governing body under Section 26.04, Tax Code,
40-36 would impose an amount equal to the amount of taxes of the school
40-37 district dedicated to the junior college under [~~Subsection (e) of~~
40-38 Section 45.105(e) or former Section 20.48(e) [~~20.48 of this code~~]
40-39 in the last dedication before the divestment. In subsequent years,
40-40 the tax rate of the junior college district is subject to Section
40-41 26.08 [~~26.07~~], Tax Code.

40-42 SECTION 66. Section 403.302(o), Government Code, is amended
40-43 to read as follows:

40-44 (o) The comptroller shall adopt rules governing the conduct
40-45 of the study after consultation with the comptroller's property tax
40-46 administration advisory board [~~Comptroller's Property Value Study~~
40-47 ~~Advisory Committee~~].

40-48 SECTION 67. Sections 281.124(d) and (e), Health and Safety
40-49 Code, are amended to read as follows:

40-50 (d) If a majority of the votes cast in the election favor the
40-51 proposition, the tax rate for the specified tax year is the rate
40-52 approved by the voters, and that rate is not subject to [~~a rollback~~
40-53 ~~election under~~] Section 26.08 [~~26.07~~], Tax Code. The board shall
40-54 adopt the tax rate as provided by Chapter 26, Tax Code.

40-55 (e) If the proposition is not approved as provided by
40-56 Subsection (d) [~~(e)~~], the board may not adopt a tax rate for the
40-57 district for the specified tax year that exceeds the rate that was
40-58 not approved, and Section 26.08 [~~26.07~~], Tax Code, applies to the
40-59 adopted rate if that rate exceeds the district's voter-approved
40-60 [~~rollback~~] tax rate.

40-61 SECTION 68. Section 102.007(d), Local Government Code, is
40-62 amended to read as follows:

40-63 (d) An adopted budget must contain a cover page that
40-64 includes:

40-65 (1) one of the following statements in 18-point or
40-66 larger type that accurately describes the adopted budget:

40-67 (A) "This budget will raise more revenue from
40-68 property taxes than last year's budget by an amount of (insert total
40-69 dollar amount of increase), which is a (insert percentage increase)

41-1 percent increase from last year's budget. The property tax revenue
 41-2 to be raised from new property added to the tax roll this year is
 41-3 (insert amount computed by multiplying the proposed tax rate by the
 41-4 value of new property added to the roll).";

41-5 (B) "This budget will raise less revenue from
 41-6 property taxes than last year's budget by an amount of (insert total
 41-7 dollar amount of decrease), which is a (insert percentage decrease)
 41-8 percent decrease from last year's budget. The property tax revenue
 41-9 to be raised from new property added to the tax roll this year is
 41-10 (insert amount computed by multiplying the proposed tax rate by the
 41-11 value of new property added to the roll)."; or

41-12 (C) "This budget will raise the same amount of
 41-13 revenue from property taxes as last year's budget. The property tax
 41-14 revenue to be raised from new property added to the tax roll this
 41-15 year is (insert amount computed by multiplying the proposed tax
 41-16 rate by the value of new property added to the roll).";

41-17 (2) the record vote of each member of the governing
 41-18 body by name voting on the adoption of the budget;

41-19 (3) the municipal property tax rates for the preceding
 41-20 fiscal year, and each municipal property tax rate that has been
 41-21 adopted or calculated for the current fiscal year, including:

41-22 (A) the property tax rate;

41-23 (B) the no-new-revenue [~~effective~~] tax rate;

41-24 (C) the no-new-revenue [~~effective~~] maintenance
 41-25 and operations tax rate;

41-26 (D) the voter-approved [~~rollback~~] tax rate; and

41-27 (E) the debt rate; and

41-28 (4) the total amount of municipal debt obligations.

41-29 SECTION 69. Section 111.008(d), Local Government Code, is
 41-30 amended to read as follows:

41-31 (d) An adopted budget must contain a cover page that
 41-32 includes:

41-33 (1) one of the following statements in 18-point or
 41-34 larger type that accurately describes the adopted budget:

41-35 (A) "This budget will raise more revenue from
 41-36 property taxes than last year's budget by an amount of (insert total
 41-37 dollar amount of increase), which is a (insert percentage increase)
 41-38 percent increase from last year's budget. The property tax revenue
 41-39 to be raised from new property added to the tax roll this year is
 41-40 (insert amount computed by multiplying the proposed tax rate by the
 41-41 value of new property added to the roll).";

41-42 (B) "This budget will raise less revenue from
 41-43 property taxes than last year's budget by an amount of (insert total
 41-44 dollar amount of decrease), which is a (insert percentage decrease)
 41-45 percent decrease from last year's budget. The property tax revenue
 41-46 to be raised from new property added to the tax roll this year is
 41-47 (insert amount computed by multiplying the proposed tax rate by the
 41-48 value of new property added to the roll)."; or

41-49 (C) "This budget will raise the same amount of
 41-50 revenue from property taxes as last year's budget. The property tax
 41-51 revenue to be raised from new property added to the tax roll this
 41-52 year is (insert amount computed by multiplying the proposed tax
 41-53 rate by the value of new property added to the roll).";

41-54 (2) the record vote of each member of the
 41-55 commissioners court by name voting on the adoption of the budget;

41-56 (3) the county property tax rates for the preceding
 41-57 fiscal year, and each county property tax rate that has been adopted
 41-58 or calculated for the current fiscal year, including:

41-59 (A) the property tax rate;

41-60 (B) the no-new-revenue [~~effective~~] tax rate;

41-61 (C) the no-new-revenue [~~effective~~] maintenance
 41-62 and operations tax rate;

41-63 (D) the voter-approved [~~rollback~~] tax rate; and

41-64 (E) the debt rate; and

41-65 (4) the total amount of county debt obligations.

41-66 SECTION 70. Section 111.039(d), Local Government Code, is
 41-67 amended to read as follows:

41-68 (d) An adopted budget must contain a cover page that
 41-69 includes:

42-1 (1) one of the following statements in 18-point or
42-2 larger type that accurately describes the adopted budget:

42-3 (A) "This budget will raise more revenue from
42-4 property taxes than last year's budget by an amount of (insert total
42-5 dollar amount of increase), which is a (insert percentage increase)
42-6 percent increase from last year's budget. The property tax revenue
42-7 to be raised from new property added to the tax roll this year is
42-8 (insert amount computed by multiplying the proposed tax rate by the
42-9 value of new property added to the roll).";

42-10 (B) "This budget will raise less revenue from
42-11 property taxes than last year's budget by an amount of (insert total
42-12 dollar amount of decrease), which is a (insert percentage decrease)
42-13 percent decrease from last year's budget. The property tax revenue
42-14 to be raised from new property added to the tax roll this year is
42-15 (insert amount computed by multiplying the proposed tax rate by the
42-16 value of new property added to the roll)."; or

42-17 (C) "This budget will raise the same amount of
42-18 revenue from property taxes as last year's budget. The property tax
42-19 revenue to be raised from new property added to the tax roll this
42-20 year is (insert amount computed by multiplying the proposed tax
42-21 rate by the value of new property added to the roll).";

42-22 (2) the record vote of each member of the
42-23 commissioners court by name voting on the adoption of the budget;

42-24 (3) the county property tax rates for the preceding
42-25 fiscal year, and each county property tax rate that has been adopted
42-26 or calculated for the current fiscal year, including:

42-27 (A) the property tax rate;

42-28 (B) the no-new-revenue [~~effective~~] tax rate;

42-29 (C) the no-new-revenue [~~effective~~] maintenance
42-30 and operations tax rate;

42-31 (D) the voter-approved [~~rollback~~] tax rate; and

42-32 (E) the debt rate; and

42-33 (4) the total amount of county debt obligations.

42-34 SECTION 71. Section 111.068(c), Local Government Code, is
42-35 amended to read as follows:

42-36 (c) An adopted budget must contain a cover page that
42-37 includes:

42-38 (1) one of the following statements in 18-point or
42-39 larger type that accurately describes the adopted budget:

42-40 (A) "This budget will raise more revenue from
42-41 property taxes than last year's budget by an amount of (insert total
42-42 dollar amount of increase), which is a (insert percentage increase)
42-43 percent increase from last year's budget. The property tax revenue
42-44 to be raised from new property added to the tax roll this year is
42-45 (insert amount computed by multiplying the proposed tax rate by the
42-46 value of new property added to the roll).";

42-47 (B) "This budget will raise less revenue from
42-48 property taxes than last year's budget by an amount of (insert total
42-49 dollar amount of decrease), which is a (insert percentage decrease)
42-50 percent decrease from last year's budget. The property tax revenue
42-51 to be raised from new property added to the tax roll this year is
42-52 (insert amount computed by multiplying the proposed tax rate by the
42-53 value of new property added to the roll)."; or

42-54 (C) "This budget will raise the same amount of
42-55 revenue from property taxes as last year's budget. The property tax
42-56 revenue to be raised from new property added to the tax roll this
42-57 year is (insert amount computed by multiplying the proposed tax
42-58 rate by the value of new property added to the roll).";

42-59 (2) the record vote of each member of the
42-60 commissioners court by name voting on the adoption of the budget;

42-61 (3) the county property tax rates for the preceding
42-62 fiscal year, and each county property tax rate that has been adopted
42-63 or calculated for the current fiscal year, including:

42-64 (A) the property tax rate;

42-65 (B) the no-new-revenue [~~effective~~] tax rate;

42-66 (C) the no-new-revenue [~~effective~~] maintenance
42-67 and operations tax rate;

42-68 (D) the voter-approved [~~rollback~~] tax rate; and

42-69 (E) the debt rate; and

43-1 (4) the total amount of county debt obligations.
 43-2 SECTION 72. Section 1101.254(f), Special District Local
 43-3 Laws Code, is amended to read as follows:

43-4 (f) This section does not affect the applicability of [any
 43-5 ~~rights district voters may have to petition for an election under]~~
 43-6 Section 26.08 [26.07], Tax Code, to the district's tax rate, except
 43-7 that if district voters approve a tax rate increase under this
 43-8 section, ~~[the voters may not petition for an election under]~~
 43-9 Section 26.08 [26.07], Tax Code, does not apply [as] to the tax rate
 43-10 for that year.

43-11 SECTION 73. Sections 1122.2522, 3828.157, and 8876.152,
 43-12 Special District Local Laws Code, are amended to read as follows:

43-13 Sec. 1122.2522. VOTER-APPROVED [ROLLBACK] TAX RATE
 43-14 PROVISIONS APPLICABLE. ~~[(a)]~~ If in any year the board adopts a tax
 43-15 rate that exceeds the voter-approved [rollback] tax rate calculated
 43-16 as provided by Chapter 26, Tax Code, ~~[the qualified voters of the~~
 43-17 ~~district by petition may require that]~~ an election under Section
 43-18 26.08 of that code must be held to determine whether or not to
 43-19 approve [reduce] the tax rate adopted by the board for that year ~~[to~~
 43-20 ~~the rollback tax rate].~~

43-21 ~~[(b) To the extent a conflict exists between this section~~
 43-22 ~~and a provision of the Tax Code, the provision of the Tax Code~~
 43-23 ~~prevails.]~~

43-24 Sec. 3828.157. INAPPLICABILITY OF CERTAIN TAX CODE
 43-25 PROVISIONS. Sections 26.04, 26.05, and 26.08 [26.07], Tax Code, do
 43-26 not apply to a tax imposed under Section 3828.153 or 3828.156.

43-27 Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS.
 43-28 (a) Sections 26.04, 26.05, 26.06, 26.061, and 26.08 [26.07], Tax
 43-29 Code, do not apply to a tax imposed by the district.

43-30 (b) Sections 49.236(a)(1) and (2) and (b) [Section 49.236],
 43-31 Water Code, apply [as added by Chapter 248 (H.B. 1541), Acts of the
 43-32 ~~78th Legislature, Regular Session, 2003, applies]~~ to the district.

43-33 SECTION 74. Section 49.107(g), Water Code, is amended to
 43-34 read as follows:

43-35 (g) Sections 26.04, 26.05, 26.061, and 26.08 [26.07], Tax
 43-36 Code, do not apply to a tax levied and collected under this section
 43-37 or an ad valorem tax levied and collected for the payment of the
 43-38 interest on and principal of bonds issued by a district.

43-39 SECTION 75. Section 49.108(f), Water Code, is amended to
 43-40 read as follows:

43-41 (f) Sections 26.04, 26.05, 26.061, and 26.08 [26.07], Tax
 43-42 Code, do not apply to a tax levied and collected for payments made
 43-43 under a contract approved in accordance with this section.

43-44 SECTION 76. Sections 49.236(a) and (d), Water Code, as
 43-45 added by Chapter 335 (S.B. 392), Acts of the 78th Legislature,
 43-46 Regular Session, 2003, are amended to read as follows:

43-47 (a) Before the board adopts an ad valorem tax rate for the
 43-48 district for debt service, operation and maintenance purposes, or
 43-49 contract purposes, the board shall give notice of each meeting of
 43-50 the board at which the adoption of a tax rate will be considered.
 43-51 The notice must:

43-52 (1) contain a statement in substantially the following
 43-53 form:

43-54 "NOTICE OF PUBLIC HEARING ON TAX RATE
 43-55 "The (name of the district) will hold a public hearing on a
 43-56 proposed tax rate for the tax year (year of tax levy) on (date and
 43-57 time) at (meeting place). Your individual taxes may increase at a
 43-58 greater or lesser rate, or even decrease, depending on the tax rate
 43-59 that is adopted and on the change in the taxable value of your
 43-60 property in relation to the change in taxable value of all other
 43-61 property [and the tax rate that is adopted]. The change in the
 43-62 taxable value of your property in relation to the change in the
 43-63 taxable value of all other property determines the distribution of
 43-64 the tax burden among all property owners.

43-65 "(Names of all board members and, if a vote was taken, an
 43-66 indication of how each voted on the proposed tax rate and an
 43-67 indication of any absences.)";

43-68 (2) contain the following information:
 43-69 (A) the district's total adopted tax rate for the

44-1 preceding year and the proposed tax rate, expressed as an amount per
44-2 \$100;

44-3 (B) the difference, expressed as an amount per
44-4 \$100 and as a percent increase or decrease, as applicable, in the
44-5 proposed tax rate compared to the adopted tax rate for the preceding
44-6 year;

44-7 (C) the average appraised value of a residence
44-8 homestead in the district in the preceding year and in the current
44-9 year; the district's total homestead exemption, other than an
44-10 exemption available only to disabled persons or persons 65 years of
44-11 age or older, applicable to that appraised value in each of those
44-12 years; and the average taxable value of a residence homestead in the
44-13 district in each of those years, disregarding any homestead
44-14 exemption available only to disabled persons or persons 65 years of
44-15 age or older;

44-16 (D) the amount of tax that would have been
44-17 imposed by the district in the preceding year on a residence
44-18 homestead appraised at the average appraised value of a residence
44-19 homestead in that year, disregarding any homestead exemption
44-20 available only to disabled persons or persons 65 years of age or
44-21 older;

44-22 (E) the amount of tax that would be imposed by the
44-23 district in the current year on a residence homestead appraised at
44-24 the average appraised value of a residence homestead in that year,
44-25 disregarding any homestead exemption available only to disabled
44-26 persons or persons 65 years of age or older, if the proposed tax
44-27 rate is adopted; ~~and~~

44-28 (F) the difference between the amounts of tax
44-29 calculated under Paragraphs (D) and (E), expressed in dollars and
44-30 cents and described as the annual percentage increase or decrease,
44-31 as applicable, in the tax to be imposed by the district on the
44-32 average residence homestead in the district in the current year if
44-33 the proposed tax rate is adopted; and

44-34 (G) if the proposed combined debt service,
44-35 operation and maintenance, and contract tax rate exceeds the
44-36 voter-approved tax rate, a description of the purpose of the
44-37 proposed tax increase; and

44-38 (3) contain a statement in substantially the following
44-39 form:

44-40 "NOTICE OF VOTE ON TAX RATE [~~TAXPAYERS' RIGHT TO ROLLBACK ELECTION~~]

44-41 "If operation and maintenance taxes on the average residence
44-42 homestead increase by more than 2.5 ~~[eight]~~ percent, ~~[the qualified~~
44-43 ~~voters of the district by petition may require that]~~ an election
44-44 must be held to determine whether to ratify ~~[reduce]~~ the operation
44-45 and maintenance tax rate ~~[to the rollback tax rate]~~ under Section
44-46 49.236(d), Water Code."

44-47 (d) If the governing body of a district adopts a combined
44-48 debt service, operation and maintenance, and contract tax rate that
44-49 exceeds the voter-approved tax rate, ~~[would impose more than 1.08~~
44-50 ~~times the amount of tax imposed by the district in the preceding~~
44-51 ~~year on a residence homestead appraised at the average appraised~~
44-52 ~~value of a residence homestead in the district in that year,~~
44-53 ~~disregarding any homestead exemption available only to disabled~~
44-54 ~~persons or persons 65 years of age or older, the qualified voters of~~
44-55 ~~the district by petition may require that]~~ an election must be held
44-56 to determine whether ~~[or not]~~ to ratify ~~[reduce]~~ the tax rate
44-57 adopted for the current year ~~[to the rollback tax rate]~~ in
44-58 accordance with the procedures provided by Sections 26.08(b), (c),
44-59 and (d) ~~[26.07(b)-(g) and 26.081]~~, Tax Code. For purposes of
44-60 Sections 26.08(b), (c), and (d), Tax Code, ~~[26.07(b)-(g)]~~ and this
44-61 section ~~[subsection]~~, the voter-approved ~~[rollback]~~ tax rate is the
44-62 sum of the following tax rates:

44-63 (1) the current year's debt service tax rate;
44-64 (2) the current year's ~~and~~ contract tax rate; and
44-65 (3) ~~[rates plus]~~ the operation and maintenance tax
44-66 rate that would impose 1.025 ~~[1.08]~~ times the amount of the
44-67 operation and maintenance tax imposed by the district in the
44-68 preceding year on a residence homestead appraised at the average
44-69 appraised value of a residence homestead in the district in that

45-1 year, disregarding any homestead exemption available only to
45-2 disabled persons or persons 65 years of age or older.

45-3 SECTION 77. Section 6B(f), Chapter 1472, Acts of the 77th
45-4 Legislature, Regular Session, 2001, is amended to read as follows:

45-5 (f) The district may provide that payments required by any
45-6 of the district's contracts, agreements, or leases may be payable
45-7 from the sale of notes, taxes, or bonds, or any combination of
45-8 notes, taxes, or bonds, or may be secured by a lien on or a pledge of
45-9 any available funds, including proceeds of the district's
45-10 maintenance tax, and may be payable subject to annual appropriation
45-11 by the district. The district may pledge to impose and may impose a
45-12 maintenance tax in an amount sufficient to comply with the
45-13 district's obligations under the district's contracts, leases, and
45-14 agreements at a maximum aggregate rate not to exceed 10 cents for
45-15 each \$100 valuation of taxable property in the district. Sections
45-16 26.012, 26.04, 26.05, and 26.08 [~~26.07~~, and ~~26.012~~], Tax Code, do
45-17 not apply to maintenance taxes levied and collected for payments
45-18 under a contract, agreement, lease, time warrant, or maintenance
45-19 note issued or executed under this section.

45-20 SECTION 78. The following provisions are repealed:

45-21 (1) Sections 403.302(m-1) and (n), Government Code;

45-22 (2) Section 140.010, Local Government Code;

45-23 (3) Section 1063.255, Special District Local Laws
45-24 Code;

45-25 (4) Sections 5.103(e) and (f), 6.412(e), 22.23(c),
45-26 26.07, 26.08(o), and 41A.06(c), Tax Code;

45-27 (5) Section 49.236, Water Code, as added by Chapter
45-28 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session,
45-29 2003; and

45-30 (6) Section 49.2361, Water Code.

45-31 SECTION 79. (a) Section 9, Chapter 481 (S.B. 1760), Acts
45-32 of the 84th Legislature, Regular Session, 2015, which added Section
45-33 42.23(i), Tax Code, effective January 1, 2020, is repealed.

45-34 (b) This section takes effect September 1, 2019.

45-35 SECTION 80. Section 5.041, Tax Code, as amended by this Act,
45-36 applies only to an appraisal review board member appointed to serve
45-37 a term of office that begins on or after January 1, 2020.

45-38 SECTION 81. The comptroller of public accounts shall
45-39 implement Section 5.043, Tax Code, as added by this Act, as soon as
45-40 practicable after January 1, 2020.

45-41 SECTION 82. Sections 5.05, 5.102, 5.13, and 23.01, Tax
45-42 Code, as amended by this Act, apply only to the appraisal of
45-43 property for ad valorem tax purposes for a tax year beginning on or
45-44 after January 1, 2020.

45-45 SECTION 83. (a) The comptroller of public accounts shall
45-46 comply with Sections 5.07(f), (g), (h), and (i), Tax Code, as added
45-47 by this Act, as soon as practicable after January 1, 2020.

45-48 (b) The comptroller of public accounts shall comply with
45-49 Section 5.091, Tax Code, as amended by this Act, not later than
45-50 January 1, 2021.

45-51 SECTION 84. The comptroller of public accounts shall
45-52 prepare and make available the survey form and instructions for
45-53 completing and submitting the form required by Section 5.104, Tax
45-54 Code, as added by this Act, as soon as practicable after January 1,
45-55 2020. An appraisal district is not required to provide the survey
45-56 form or instructions under a requirement of that section until the
45-57 form and instructions are prepared and made available by the
45-58 comptroller of public accounts.

45-59 SECTION 85. Section 6.41(d-9), Tax Code, as amended by this
45-60 Act, applies only to the appointment of appraisal review board
45-61 members to terms beginning on or after January 1, 2021.

45-62 SECTION 86. Section 6.412, Tax Code, as amended by this Act,
45-63 does not affect the eligibility of a person serving on an appraisal
45-64 review board immediately before January 1, 2020, to continue to
45-65 serve on the board for the term to which the member was appointed.

45-66 SECTION 87. Section 6.42(d), Tax Code, as added by this Act,
45-67 applies only to a recommendation, determination, decision, or other
45-68 action by an appraisal review board or a panel of such a board on or
45-69 after January 1, 2020. A recommendation, determination, decision,

46-1 or other action by an appraisal review board or a panel of such a
 46-2 board before January 1, 2020, is governed by the law as it existed
 46-3 immediately before that date, and that law is continued in effect
 46-4 for that purpose.

46-5 SECTION 88. Section 11.4391(a), Tax Code, as amended by
 46-6 this Act, applies only to ad valorem taxes imposed for a tax year
 46-7 beginning on or after January 1, 2020.

46-8 SECTION 89. (a) An appraisal district established in a
 46-9 county with a population of 120,000 or more and each taxing unit
 46-10 located wholly or partly in such an appraisal district shall comply
 46-11 with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18,
 46-12 Tax Code, as added by this Act, beginning with the 2021 tax year.

46-13 (b) An appraisal district established in a county with a
 46-14 population of less than 120,000 and each taxing unit located wholly
 46-15 in such an appraisal district shall comply with Sections
 46-16 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18, Tax Code, as
 46-17 added by this Act, beginning with the 2022 tax year.

46-18 SECTION 90. (a) Not later than the 30th day after the date
 46-19 this section takes effect:

46-20 (1) the designated officer or employee of each taxing
 46-21 unit shall submit to the county assessor-collector for each county
 46-22 in which all or part of the territory of the taxing unit is located
 46-23 the worksheets used by the designated officer or employee to
 46-24 calculate the effective and voter-approved tax rates of the taxing
 46-25 unit for the 2015-2019 tax years; and

46-26 (2) the county assessor-collector for each county
 46-27 shall post the worksheets submitted to the county
 46-28 assessor-collector under Subdivision (1) of this subsection on the
 46-29 Internet website of the county.

46-30 (b) This section takes effect immediately if this Act
 46-31 receives a vote of two-thirds of all the members elected to each
 46-32 house, as provided by Section 39, Article III, Texas Constitution.
 46-33 If this Act does not receive the vote necessary for immediate
 46-34 effect, this section takes effect on the 91st day after the last day
 46-35 of the legislative session.

46-36 SECTION 91. A taxing unit that does not own, operate, or
 46-37 control an Internet website is not required to comply with Sections
 46-38 26.05(b)(2) and 26.065(b), Tax Code, as amended by this Act, until
 46-39 the first tax year in which the taxing unit is required by law to
 46-40 maintain or have access to an Internet website.

46-41 SECTION 92. Section 33.08(b), Tax Code, as amended by this
 46-42 Act, applies only to taxes that become delinquent on or after
 46-43 January 1, 2020. Taxes that become delinquent before that date are
 46-44 governed by the law as it existed immediately before that date, and
 46-45 that law is continued in effect for that purpose.

46-46 SECTION 93. Section 41.03(a), Tax Code, as amended by this
 46-47 Act, applies only to a challenge under Chapter 41, Tax Code, for
 46-48 which a challenge petition is filed on or after January 1, 2020. A
 46-49 challenge under Chapter 41, Tax Code, for which a challenge
 46-50 petition was filed before January 1, 2020, is governed by the law in
 46-51 effect on the date the challenge petition was filed, and the former
 46-52 law is continued in effect for that purpose.

46-53 SECTION 94. Sections 41.45 and 41.66(k), Tax Code, as
 46-54 amended by this Act, and Section 41.66(k-1), Tax Code, as added by
 46-55 this Act, apply only to a protest filed under Chapter 41, Tax Code,
 46-56 on or after January 1, 2021. A protest filed under that chapter
 46-57 before January 1, 2021, is governed by the law in effect on the date
 46-58 the protest was filed, and the former law is continued in effect for
 46-59 that purpose.

46-60 SECTION 95. Sections 41.46, 41.461, 41.47, 41.66(h), (i),
 46-61 and (j), and 41.67, Tax Code, as amended by this Act, and Sections
 46-62 41.66(j-1) and (p), Tax Code, as added by this Act, apply only to a
 46-63 protest for which the notice of protest was filed by a property
 46-64 owner or the designated agent of the owner with the appraisal review
 46-65 board established for an appraisal district on or after January 1,
 46-66 2020.

46-67 SECTION 96. Section 41.71, Tax Code, as amended by this Act,
 46-68 applies only to a hearing on a protest under Chapter 41, Tax Code,
 46-69 that is scheduled on or after January 1, 2020. A hearing on a

47-1 protest under Chapter 41, Tax Code, that is scheduled before
 47-2 January 1, 2020, is governed by the law in effect on the date the
 47-3 hearing was scheduled, and that law is continued in effect for that
 47-4 purpose.

47-5 SECTION 97. Section 41A.03(a), Tax Code, as amended by this
 47-6 Act, applies only to an appeal of an appraisal review board order
 47-7 that a property owner receives notice of on or after the effective
 47-8 date of this Act. An appeal of an appraisal review board order that
 47-9 a property owner receives notice of before the effective date of
 47-10 this Act is governed by the law in effect immediately before the
 47-11 effective date of this Act, and that law is continued in effect for
 47-12 that purpose.

47-13 SECTION 98. Sections 41A.05 and 41A.07, Tax Code, as
 47-14 amended by this Act, apply only to a request for binding arbitration
 47-15 received by the comptroller of public accounts from an appraisal
 47-16 district on or after January 1, 2020.

47-17 SECTION 99. Section 41A.09, Tax Code, as amended by this
 47-18 Act, applies only to an appeal through binding arbitration under
 47-19 Chapter 41A, Tax Code, that is requested on or after January 1,
 47-20 2020.

47-21 SECTION 100. Section 42.24, Tax Code, as amended by this
 47-22 Act, applies only to an appeal under Chapter 42, Tax Code, that is
 47-23 filed on or after January 1, 2020.

47-24 SECTION 101. The changes in law made by this Act in the
 47-25 qualifications of persons serving as arbitrators in binding
 47-26 arbitrations of appeals of appraisal review board orders do not
 47-27 affect the entitlement of a person serving as an arbitrator
 47-28 immediately before January 1, 2020, to continue to serve as an
 47-29 arbitrator and to conduct hearings on arbitrations until the person
 47-30 is required to renew the person's agreement with the comptroller of
 47-31 public accounts to serve as an arbitrator. The changes in law apply
 47-32 only to a person who initially qualifies to serve as an arbitrator
 47-33 or who renews the person's agreement with the comptroller of public
 47-34 accounts to serve as an arbitrator on or after January 1, 2020.
 47-35 This Act does not prohibit a person who is serving as an arbitrator
 47-36 on January 1, 2020, from renewing the person's agreement with the
 47-37 comptroller of public accounts to serve as an arbitrator if the
 47-38 person has the qualifications required for an arbitrator under the
 47-39 Tax Code as amended by this Act.

47-40 SECTION 102. (a) Not later than the 30th day after the date
 47-41 this section takes effect, the comptroller of public accounts shall
 47-42 mail a written notice to each appraisal district and the assessor
 47-43 for each taxing unit in this state of:

47-44 (1) the deadline for complying with each new
 47-45 requirement, duty, or function imposed by this Act on an appraisal
 47-46 district or taxing unit; and

47-47 (2) any change made by this Act to the deadline for
 47-48 complying with an existing requirement, duty, or function of an
 47-49 appraisal district or taxing unit.

47-50 (b) This section takes effect immediately if this Act
 47-51 receives a vote of two-thirds of all the members elected to each
 47-52 house, as provided by Section 39, Article III, Texas Constitution.
 47-53 If this Act does not receive the vote necessary for immediate
 47-54 effect, this section takes effect on the 91st day after the last day
 47-55 of the legislative session.

47-56 SECTION 103. (a) In this section:

47-57 (1) "Compensation" includes a salary, wage, insurance
 47-58 benefit, retirement benefit, or similar benefit an employee
 47-59 receives as a condition of employment.

47-60 (2) "First responder" has the meaning assigned by
 47-61 Section 504.019, Labor Code.

47-62 (3) "Taxing unit" has the meaning assigned by Section
 47-63 1.04, Tax Code.

47-64 (b) This section applies only to the fiscal year of a taxing
 47-65 unit that begins in 2020.

47-66 (c) The governing body of a taxing unit may not adopt a
 47-67 budget for a fiscal year or take any other action that has the
 47-68 effect of decreasing the total compensation to which a first
 47-69 responder employed by the taxing unit was entitled in the preceding

48-1 fiscal year of the taxing unit.

48-2 SECTION 104. A reference in law to the rollback tax rate is
48-3 a reference to the voter-approved tax rate described by Chapter 26,
48-4 Tax Code, as amended by this Act.

48-5 SECTION 105. (a) Except as otherwise provided by this Act,
48-6 this Act takes effect January 1, 2020.

48-7 (b) The following provisions take effect September 1, 2020:

48-8 (1) Sections 6.41(b) and (d-9), Tax Code, as amended
48-9 by this Act;

48-10 (2) Sections 6.41(b-1), (b-2), and (d-10), Tax Code,
48-11 as added by this Act;

48-12 (3) Section 6.414(d), Tax Code, as amended by this
48-13 Act;

48-14 (4) Section 6.425, Tax Code, as added by this Act;

48-15 (5) Section 41.44(d), Tax Code, as amended by this
48-16 Act;

48-17 (6) Section 41.45(d), Tax Code, as amended by this
48-18 Act;

48-19 (7) Sections 41.45(d-1), (d-2), and (d-3), Tax Code,
48-20 as added by this Act;

48-21 (8) Section 41.66(k), Tax Code, as amended by this
48-22 Act; and

48-23 (9) Section 41.66(k-1), Tax Code, as added by this
48-24 Act.

48-25 (c) The following provisions take effect January 1, 2021:

48-26 (1) Sections 25.19(b-3) and (b-4), Tax Code, as added
48-27 by this Act;

48-28 (2) Sections 26.04(d-1), (d-2), (d-3), (e-2), (e-3),
48-29 (e-4), and (e-5), Tax Code, as added by this Act;

48-30 (3) Sections 26.04(e-1) and (g), Tax Code, as amended
48-31 by this Act;

48-32 (4) Sections 26.05(d-1) and (d-2), Tax Code, as added
48-33 by this Act; and

48-34 (5) Section 26.05(e), Tax Code, as amended by this
48-35 Act.

48-36 (d) Sections 25.19(b) and (i), Tax Code, as amended by this
48-37 Act, take effect January 1, 2022.

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