

By: Martinez Fischer

H.B. No. 88

A BILL TO BE ENTITLED

AN ACT

relating to the effect of a disaster on the calculation of the voter-approval tax rate for a taxing unit that is located in a large federally declared disaster area.

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

SECTION 1. Section 26.042(a-1), Tax Code, as added by H.B. 30, Acts of the 89th Legislature, Regular Session, 2025, and effective January 1, 2026, is amended by adding Subdivision (4) to read as follows:

(4) "Large disaster area taxing unit" means:

(A) a county the majority of the territory of which is located in an area of this state that consists of at least three counties and that has been declared a disaster area under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. Section 5121 et seq.); or

(B) a taxing unit other than a county the majority of the territory of which is located in a county described by Paragraph (A).

SECTION 2. Section 26.042(a-2), Tax Code, as added by H.B. 30, Acts of the 89th Legislature, Regular Session, 2025, and effective January 1, 2026, is amended to read as follows:

(a-2) The voter-approval tax rate the governing body of the taxing unit may direct the designated officer or employee to calculate under Subsection (a) is:

1 (1) for a taxing unit that is a large disaster area
2 taxing unit, the voter-approval tax rate calculated in the manner
3 provided for a special taxing unit; or

4 (2) for a taxing unit other than a large disaster area
5 taxing unit, the rate equal to the lesser of:

6 (A) [~~(1)~~] the voter-approval tax rate calculated
7 in the manner provided for a special taxing unit; or

8 (B) [~~(2)~~] the voter-approval tax rate calculated
9 according to the following formula:

10 VOTER-APPROVAL TAX RATE = (NO-NEW-REVENUE MAINTENANCE AND
11 OPERATIONS RATE X 1.035) + (CURRENT DEBT RATE + UNUSED INCREMENT
12 RATE + DISASTER RELIEF RATE)

13 SECTION 3. The change in law made by this Act applies only
14 to an ad valorem tax year that begins on or after the effective date
15 of this Act.

16 SECTION 4. This Act takes effect January 1, 2026.