

BILL ANALYSIS

Senate Research Center

H.B. 30
By: Troxclair et al. (Bettencourt)
Local Government
5/12/2025
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 30 amends current law relating to the effect of a disaster and associated costs on the calculation of certain tax rates and the procedure for adoption of a tax rate by a taxing unit.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 26.042, Tax Code, by amending Subsections (a), (f), and (g) and adding Subsections (a-1), (a-2), and (a-3), as follows:

(a) Authorizes the governing body of a taxing unit other than a school district or a special taxing unit, notwithstanding Sections 26.04 (Submission of Roll to Governing Body; No-New-Revenue and Voter-Approval Tax Rates) and 26.041 (Tax Rate of Unit Imposing Additional Sales and Use Tax), to direct the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided by Subsection (a-2), rather than for a special taxing unit, if any part of the taxing unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States and at least one person is granted an exemption under Section 11.35 (Temporary Exemption for Qualified Property Damaged by Disaster) for property located in the taxing unit.

(a-1) Defines "disaster relief cost," "disaster relief rate," and "essential assistance."

(a-2) Provides that the voter-approval tax rate the governing body of the taxing unit is authorized to direct the designated officer or employee to calculate under Subsection (a) is equal to the lesser of the voter-approval tax rate calculated in the manner provided for a special taxing unit or the voter-approval tax rate calculated according to a certain formula.

(a-3) Requires a taxing unit to which Subsection (a) applies that makes an estimate described by Subsection (a-1)(1)(A)(ii) (relating to disaster relief cost of the removal of debris or wreckage in the taxing unit as determined by a certain estimate) or (B)(ii) (relating to disaster relief cost of essential assistance as determined by a certain estimate), as soon as practicable after completing the estimate, to forward the estimate to the Texas Division of Emergency Management.

(f) Deletes existing text prohibiting the amount by which a tax rate exceeds the taxing unit's voter-approval tax rate for that tax year, if a taxing unit adopts a tax rate under Subsection (d) (relating to providing that, if the taxing unit is located in a disaster area, an election is not required to approve the tax rate adopted in the year after the disaster occurs), from being considered when calculating the taxing unit's voter-approval tax rate for the tax year following the year in which the taxing unit adopts the rate.

(g) Makes conforming changes to this subsection.

SECTION 2. Repealer: Section 26.042(d) (relating to providing that, if the taxing unit is located in a disaster area, an election is not required to approve the tax rate adopted in the year after the disaster occurs), Tax Code.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: January 1, 2026.