

BILL ANALYSIS

Senate Research Center

S.B. 1106
By: Parker
Local Government
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Recently enacted legislation increased transparency regarding the way a property owner can determine if the person's property is in a public improvement district and, thus, whether the owner is liable for an applicable assessment by the district. That legislation placed the same statutory notification obligations and associated penalties on parties to home sales in public improvement districts as those placed on home sales in municipal utility districts. While these changes were a welcome measure, property owners reportedly still have trouble determining if their property is in a public improvement district, especially if the requisite information regarding the district has not been properly filed. S.B. 1106 seeks to remedy this information gap by providing for increased transparency with respect to a public improvement district's service plans and assessments.

S.B. 1106 amends current law relating to publication of public improvement district service plans and assessments on certain public Internet websites.

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 372.013, Local Government Code, by adding Subsection (f), as follows:

(f) Requires a municipality or county, not later than the seventh day after the date the governing body of a municipality or county approves, amends, or updates a service plan, to post a copy of the service plan, including a copy of the notice form required by Section 5.014 (Notice of Obligations Related to Public Improvement District), Property Code, on the Internet website maintained or used by the municipality or county for the purposes of Section 26.18 (Posting of Tax Rate and Budget Information by Taxing Unit on Website), Tax Code.

SECTION 2. Amends the heading to Section 372.016, Local Government Code, to read as follows:

Sec. 372.016. PROPOSED ASSESSMENT ROLL.

SECTION 3. Amends Section 372.016(c), Local Government Code, as follows:

(c) Requires a municipal secretary or other officer, when the proposed assessment roll is filed under Subsection (b) (relating to requiring the governing body to file the proposed roll with certain officers), to mail to the owners of property liable for assessment a notice of the hearing.

SECTION 4. Amends Section 372.017, Local Government Code, by adding Subsections (c), (d), and (e), as follows:

(c) Requires a governing body, not later than the seventh day after the date the governing body levies an assessment under Subsection (b) (relating to requiring a governing body to levy the assessment as a special assessment on the property), to submit the assessment roll for each public improvement district established under Chapter 372 (Improvement Districts in Municipalities and Counties) to each appraisal district in which property subject to assessment under the public improvement district is located. Requires that the assessment roll state the total assessment levied against each parcel of land in the improvement district under Subsection (b), the amount of the annual assessment, and the amount of each periodic installment, if applicable.

(d) Requires a governing body to submit an updated assessment roll for each public improvement district established under this chapter to each appraisal district in which property subject to assessment under the public improvement district is located not later than the seventh day after the date the governing body makes a supplemental assessment under Section 372.019 (Supplemental Assessments) or a reassessment or new assessment under Section 372.020 (Reassessment).

(e) Requires that an assessment roll submitted to an appraisal district under Section 372.017 (Levy of Assessment) be in an electronic format capable of being electronically incorporated into the property tax database maintained by each appraisal district under Section 26.17 (Database of Property-Tax-Related Information), Tax Code.

SECTION 5. Amends Section 26.17(b), Tax Code, as follows:

(b) Requires that the property tax database include, with respect to each property listed on the appraisal roll for the appraisal district, certain information, including, for each public improvement district established under Chapter 372 or 382 (Improvement Projects in Certain Counties), Local Government Code, in which the property is located, the name of the district, the total assessment levied against the property by the district, the amount of the annual assessment levied against the property by the district, and, if applicable, the amount of each periodic installment levied against the property by the district. Makes nonsubstantive changes.

SECTION 6. Effective date: January 1, 2026.