

1-1 By: Bettencourt S.B. No. 2529  
1-2 (In the Senate - Filed March 13, 2025; April 3, 2025, read  
1-3 first time and referred to Committee on Local Government;  
1-4 April 22, 2025, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 4, Nays 3; April 22, 2025,  
1-6 sent to printer.)

1-7	COMMITTEE VOTE				
1-8		Yea	Nay	Absent	PNV
1-9	Bettencourt	X			
1-10	Middleton	X			
1-11	Cook		X		
1-12	Gutierrez		X		
1-13	Nichols	X			
1-14	Paxton	X			
1-15	West		X		

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 2529 By: Bettencourt

1-17 A BILL TO BE ENTITLED  
1-18 AN ACT

1-19 relating to the vote required by the governing body of a taxing unit  
1-20 to adopt an ad valorem tax rate that exceeds the voter-approval tax  
1-21 rate or authorize the issuance of tax bonds.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
1-23 SECTION 1. Chapter 1253, Government Code, is amended by  
1-24 adding Section 1253.004 to read as follows:

1-25 Sec. 1253.004. SUPERMAJORITY VOTE OF GOVERNING BODY  
1-26 REQUIRED TO APPROVE GENERAL OBLIGATION BONDS. Notwithstanding any  
1-27 other law, a political subdivision may not issue general obligation  
1-28 bonds unless at least 60 percent of the members of the governing  
1-29 body of the political subdivision vote in favor of issuing the bonds  
1-30 in the manner prescribed by law for official action by the governing  
1-31 body.

1-32 SECTION 2. Chapter 26, Tax Code, is amended by adding  
1-33 Section 26.0502 to read as follows:

1-34 Sec. 26.0502. ADOPTION OF PROPOSED TAX RATE THAT EXCEEDS  
1-35 VOTER-APPROVAL TAX RATE FOLLOWING ELECTION. (a) This section  
1-36 applies only to the adoption of an annual tax rate that exceeds the  
1-37 voter-approval rate by a taxing unit for the tax year following a  
1-38 tax year in which a proposition to approve a tax rate that exceeds  
1-39 the voter-approval rate was not approved by the voters in an  
1-40 election required by Section 26.07 or Section 26.08.

1-41 (b) Notwithstanding any other law, a taxing unit may not  
1-42 adopt an annual tax rate that exceeds the voter-approval tax rate  
1-43 unless at least 75 percent of the members of the governing body of  
1-44 the taxing unit by record vote approve the ordinance, resolution,  
1-45 or order setting the tax rate.

1-46 SECTION 3. Subchapter H, Chapter 49, Water Code, is amended  
1-47 by adding Section 49.23604 to read as follows:

1-48 Sec. 49.23604. ADOPTION OF PROPOSED TAX RATE THAT EXCEEDS  
1-49 VOTER-APPROVAL TAX RATE FOLLOWING ELECTION. (a) This section  
1-50 applies only to the adoption of an ad valorem tax rate for a  
1-51 district for the tax year following a tax year in which a  
1-52 proposition to approve a tax rate for the district was not approved  
1-53 by the voters in an election required by Section 49.23601,  
1-54 49.23602, or 49.23603.

1-55 (b) Notwithstanding any other law, unless at least 75  
1-56 percent of the members of the board of a district vote in favor of  
1-57 adopting the tax rate, the board of a district may not adopt a  
1-58 combined debt service, contract, and operation and maintenance tax  
1-59 rate that exceeds:

1-60 (1) the voter-approval tax rate as determined under

2-1 Section 49.23601(a), for a district described by Section  
2-2 49.23601(b);  
2-3 (2) the mandatory tax election rate as determined  
2-4 under Section 49.23602(a), for a district described by Section  
2-5 49.23602(b); or  
2-6 (3) the voter-approval tax rate as determined under  
2-7 Section 49.23603(a), for a district described by Section  
2-8 49.23603(b).  
2-9 SECTION 4. Section 1253.004, Government Code, as added by  
2-10 this Act, applies only to general obligation bonds authorized to be  
2-11 issued by the governing body of a political subdivision on or after  
2-12 the effective date of this Act.  
2-13 SECTION 5. Section 26.0502, Tax Code, and Section 49.23604,  
2-14 Water Code, as added by this Act, apply only to a tax year that  
2-15 begins on or after the effective date of this Act.  
2-16 SECTION 6. This Act takes effect January 1, 2026.

2-17 \* \* \* \* \*