

1-1 By: Bettencourt S.B. No. 3071
 1-2 (In the Senate - Filed May 12, 2025; May 12, 2025, read
 1-3 first time and referred to Committee on Local Government;
 1-4 May 19, 2025, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 5, Nays 2; May 19, 2025,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

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

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 3071 By: Gutierrez

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

1-19 relating to the authority of a property owner to obtain an
 1-20 injunction restraining the collection of ad valorem taxes by a
 1-21 taxing unit if the taxing unit adopts a tax rate that exceeds the
 1-22 voter-approval tax rate and subsequently takes an action that
 1-23 constitutes a material deviation from the stated purpose of the tax
 1-24 increase.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Section 26.012, Tax Code, is amended by adding
 1-27 Subdivision (16-a) to read as follows:

1-28 (16-a) "Materially deviate" means to make a
 1-29 significant change in carrying out the purpose stated to voters on a
 1-30 ballot proposition, stated in any order or resolution calling for
 1-31 an election required under this chapter, or stated in resolutions
 1-32 adopted to accompany or supplement a ballot proposition, including:

1-33 (A) a significant change in purpose;

1-34 (B) a significant change in the financing
 1-35 structure for the purpose;

1-36 (C) an increase of more than 33 percent in actual
 1-37 or projected costs of the purpose;

1-38 (D) a significant reduction in scope or scale of
 1-39 the purpose;

1-40 (E) a legal determination, including a finding
 1-41 under Chapter 1202 or 1205, Government Code, that the purpose
 1-42 stated on the ballot proposition or any order or resolution calling
 1-43 for an election required under this chapter was not in conformity
 1-44 with law; or

1-45 (F) any other attempt to substantially impair the
 1-46 rights and expectations of the voters as they existed at the time of
 1-47 the election.

1-48 SECTION 2. Section 26.05, Tax Code, is amended by adding
 1-49 Subsection (e-2) to read as follows:

1-50 (e-2) A person who owns taxable property is entitled to an
 1-51 injunction restraining the collection of taxes by a taxing unit in
 1-52 which the property is taxable if the taxing unit has materially
 1-53 deviated from the purpose stated in the ballot for an election
 1-54 required to be held under Section 26.07, in the order or resolution
 1-55 ordering the election, or in an order or resolution accompanying
 1-56 the ballot. An action to enjoin the collection of taxes must be
 1-57 filed not later than the 15th day after the date the taxing unit
 1-58 adopts a tax rate. A property owner who owns taxable property in
 1-59 the taxing unit is not required to pay the taxes imposed by the
 1-60 taxing unit on the owner's property while an action to enjoin the

2-1 collection of the taxes under this subsection is pending. If a
2-2 property owner pays the taxes and the property owner who filed the
2-3 action subsequently prevails in the action, the property owner who
2-4 paid the taxes is entitled to a refund of the taxes paid. A property
2-5 owner is not required to apply to the collector for the taxing unit
2-6 to receive the refund. A property owner who files an action under
2-7 this subsection and subsequently prevails is entitled to reasonable
2-8 attorney's fees and court costs.

2-9 SECTION 3. Section 26.05(e-2), Tax Code, as added by this
2-10 Act, applies to an action filed by a property owner to enjoin the
2-11 collection of ad valorem taxes for a material deviation from the
2-12 purpose stated in the ballot for an election required to be held
2-13 under Section 26.07 of that code, in the order or resolution
2-14 ordering the election, or in an order or resolution accompanying
2-15 the ballot, only if the material deviation occurs on or after the
2-16 effective date of this Act.

2-17 SECTION 4. This Act takes effect immediately if it receives
2-18 a vote of two-thirds of all the members elected to each house, as
2-19 provided by Section 39, Article III, Texas Constitution. If this
2-20 Act does not receive the vote necessary for immediate effect, this
2-21 Act takes effect September 1, 2025.

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