

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 12, 2025

TO: Honorable Paul Bettencourt, Chair, Senate Committee on Local Government

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB30 by Troxclair (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.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would repeal the authority of certain taxing units to adopt a property tax rate that exceeds the voter-approval tax rate without holding an election in the year after a disaster occurred. The bill makes conforming changes.

The bill creates an adjustment to the voter-approval tax rate for certain taxing units located in a declared disaster area. The bill would also define essential assistance, disaster relief cost, and disaster relief rate, and provides a formula for calculating the disaster relief rate. The bill prescribes a formula for calculating the voter-approval tax rate for a taxing unit that is wholly or partly located in an area declared a disaster area by the President of the United States and for which an estimate for the cost of removal of debris or wreckage has been made, a formula for calculating the voter-approval tax rate for a taxing unit located in an area declared a disaster by only the Governor or that does not have an estimate for the cost of removing debris and wreckage.

Local Government Impact

The bill creates an adjustment to the voter-approval tax rate for certain taxing units located in a declared disaster area.

Source Agencies: 304 Comptroller of Public Accounts, 701 Texas Education Agency

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