

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 12, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB2529 by Bettencourt (Relating to the vote required by the governing body of a taxing unit to adopt an ad valorem tax rate that exceeds the voter-approval tax rate or authorize the issuance of tax bonds.),
As Introduced

No significant fiscal implication to the State is anticipated.

The bill would require approval of at least 60 percent of the members of the governing body of a political subdivision to issue general obligation bonds.

The bill would require approval of at least 80 percent of the members of the governing body of a taxing unit to adopt an annual tax rate that exceeds the voter-approval tax rate if, in the preceding year, a proposition to approve a tax rate that exceeded the voter-approval rate was not approved by the voters.

The bill would require approval of at least 80 percent of the members of the board of directors of a water district to adopt a combined debt service, contract, and operation and maintenance tax rate that exceeds: 1) the voter-approval tax rate; 2) the mandatory tax election rate; or 3) the voter-approval tax rate if, in the preceding year, a proposition to approve a tax rate for the water district was not approved by the voters.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, SD, BRI