1   AN ACT

2   relating to providing transparency in the budget adoption process

3   of municipalities and counties.

4   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5   SECTION 1. Section 102.007, Local Government Code, is

6   amended by amending Subsection (a) and adding Subsections (d) and

7   (e) to read as follows:

8   (a)   At the conclusion of the public hearing, the governing

9   body of the municipality shall take action on the proposed budget.

10   A vote to adopt the budget must be a record vote.

11   (d)   An adopted budget must contain a cover page that

12   includes:

13   (1)   one of the following statements in 18-point or

14   larger type that accurately describes the adopted budget:

15   (A)   "This budget will raise more revenue from

16   property taxes than last year's budget by an amount of (insert total

17   dollar amount of increase), which is a (insert percentage increase)

18   percent increase from last year's budget. The property tax revenue

19   to be raised from new property added to the tax roll this year is

20   (insert amount computed by multiplying the proposed tax rate by the

21   value of new property added to the roll).";

22   (B)   "This budget will raise less revenue from

23   property taxes than last year's budget by an amount of (insert total

24   dollar amount of decrease), which is a (insert percentage decrease)

1 percent decrease from last year's budget. The property tax revenue

2 to be raised from new property added to the tax roll this year is

3 (insert amount computed by multiplying the proposed tax rate by the

4 value of new property added to the roll)."; or

5   (C) "This budget will raise the same amount of

6 revenue from property taxes as last year's budget. The property tax

7 revenue to be raised from new property added to the tax roll this

8 year is (insert amount computed by multiplying the proposed tax

9 rate by the value of new property added to the roll).";

10   (2) the record vote of each member of the governing

11 body by name voting on the adoption of the budget;

12   (3) the municipal property tax rates for the preceding

13 fiscal year, and each municipal property tax rate that has been

14 adopted or calculated for the current fiscal year, including:

15   (A) the property tax rate;

16   (B) the effective tax rate;

17   (C) the effective maintenance and operations tax

18 rate;

19   (D) the rollback tax rate; and

20   (E) the debt rate; and

21   (4) the total amount of municipal debt obligations.

22   (e) In this section, "debt obligation" means an issued

23 public security as defined by Section 1201.002, Government Code,

24 secured by property taxes.

25   SECTION 2. Section 102.008, Local Government Code, is

26 amended to read as follows:

27   Sec. 102.008. APPROVED BUDGET FILED WITH MUNICIPAL CLERK:

1 POSTING ON INTERNET. (a) On final approval of the budget by the

2 governing body of the municipality, the governing body shall:

3   (1) file the budget with the municipal clerk; and

4   (2) if the municipality maintains an Internet website,

5 take action to ensure that:

6   (A) a copy of the budget, including the cover

7 page, is posted on the website; and

8   (B) the record vote described by Section

9 102.007(d)(2) is posted on the website at least until the first

10 anniversary of the date the budget is adopted.

11   (b) The governing body shall take action to ensure that the

12 cover page of the budget is amended to include the property tax

13 rates required by Section 102.007(d)(3) for the current fiscal year

14 if the rates are not included on the cover page when the budget is

15 filed with the municipal clerk. The governing body shall file an

16 amended cover page with the municipal clerk and take action to

17 ensure that the amended cover page is posted on the municipality's

18 website.

19   SECTION 3. Section 111.008, Local Government Code, is

20 amended by amending Subsection (a) and adding Subsections (d) and

21 (e) to read as follows:

22   (a) At the conclusion of the public hearing, the

23 commissioners court shall take action on the proposed budget. A

24 vote to adopt the budget must be a record vote.

25   (d) An adopted budget must contain a cover page that

26 includes:

27   (1) one of the following statements in 18-point or

1 larger type that accurately describes the adopted budget:

2 (A) "This budget will raise more revenue from

3 property taxes than last year's budget by an amount of (insert total

4 dollar amount of increase), which is a (insert percentage increase)

5 percent increase from last year's budget. The property tax revenue

6 to be raised from new property added to the tax roll this year is

7 (insert amount computed by multiplying the proposed tax rate by the

8 value of new property added to the roll).";

9 (B) "This budget will raise less revenue from

10 property taxes than last year's budget by an amount of (insert total

11 dollar amount of decrease), which is a (insert percentage decrease)

12 percent decrease from last year's budget. The property tax revenue

13 to be raised from new property added to the tax roll this year is

14 (insert amount computed by multiplying the proposed tax rate by the

15 value of new property added to the roll)."; or

16 (C) "This budget will raise the same amount of

17 revenue from property taxes as last year's budget. The property tax

18 revenue to be raised from new property added to the tax roll this

19 year is (insert amount computed by multiplying the proposed tax

20 rate by the value of new property added to the roll).";

21 (2) the record vote of each member of the

22 commissioners court by name voting on the adoption of the budget;

23 (3) the county property tax rates for the preceding

24 fiscal year, and each county property tax rate that has been adopted

25 or calculated for the current fiscal year, including:

26 (A) the property tax rate;

27 (B) the effective tax rate;

1   (C) the effective maintenance and operations tax

2 rate;

3   (D) the rollback tax rate; and

4   (E) the debt rate; and

5   (4) the total amount of county debt obligations.

6   (e) In this section, "debt obligation" means an issued

7 public security as defined by Section 1201.002, Government Code,

8 secured by property taxes.

9   SECTION 4. Section 111.009, Local Government Code, is

10 amended to read as follows:

11   Sec. 111.009. APPROVED BUDGET FILED WITH COUNTY CLERK:

12 POSTING ON INTERNET. (a) On final approval of the budget by the

13 commissioners court, the court shall:

14   (1) file the budget with the county clerk; and

15   (2) if the county maintains an Internet website, take

16 action to ensure that:

17   (A) a copy of the budget, including the cover

18 page, is posted on the website; and

19   (B) the record vote described by Section

20 111.008(d)(2) is posted on the website at least until the first

21 anniversary of the date the budget is adopted.

22   (b) The commissioners court shall take action to ensure that

23 the cover page of the budget is amended to include the property tax

24 rates required by Section 111.008(d)(3) for the current fiscal year

25 if the rates are not included on the cover page when the budget is

26 filed with the county clerk. The commissioners court shall file an

27 amended cover page with the county clerk and take action to ensure

1 that the amended cover page is posted on the county's website.

2   SECTION 5. Section 111.039, Local Government Code, is

3 amended by amending Subsection (a) and adding Subsections (d) and

4 (e) to read as follows:

5   (a) At the conclusion of the public hearing, the

6 commissioners court shall take action on the proposed budget. A

7 vote to adopt the budget must be a record vote.

8   (d) An adopted budget must contain a cover page that

9 includes:

10   (1) one of the following statements in 18-point or

11 larger type that accurately describes the adopted budget:

12   (A) "This budget will raise more revenue from

13 property taxes than last year's budget by an amount of (insert total

14 dollar amount of increase), which is a (insert percentage increase)

15 percent increase from last year's budget. The property tax revenue

16 to be raised from new property added to the tax roll this year is

17 (insert amount computed by multiplying the proposed tax rate by the

18 value of new property added to the roll).";

19   (B) "This budget will raise less revenue from

20 property taxes than last year's budget by an amount of (insert total

21 dollar amount of decrease), which is a (insert percentage decrease)

22 percent decrease from last year's budget. The property tax revenue

23 to be raised from new property added to the tax roll this year is

24 (insert amount computed by multiplying the proposed tax rate by the

25 value of new property added to the roll)."; or

26   (C) "This budget will raise the same amount of

27 revenue from property taxes as last year's budget. The property tax

1 revenue to be raised from new property added to the tax roll this

2 year is (insert amount computed by multiplying the proposed tax

3 rate by the value of new property added to the roll).";

4   (2) the record vote of each member of the

5 commissioners court by name voting on the adoption of the budget;

6   (3) the county property tax rates for the preceding

7 fiscal year, and each county property tax rate that has been adopted

8 or calculated for the current fiscal year, including:

9   (A) the property tax rate;

10   (B) the effective tax rate;

11   (C) the effective maintenance and operations tax

12 rate;

13   (D) the rollback tax rate; and

14   (E) the debt rate; and

15   (4) the total amount of county debt obligations.

16 (e) In this section, "debt obligation" means an issued

17 public security as defined by Section 1201.002, Government Code,

18 secured by property taxes.

19   SECTION 6. Section 111.040, Local Government Code, is

20 amended to read as follows:

21   Sec. 111.040. APPROVED BUDGET FILED WITH OFFICERS: POSTING

22 ON INTERNET. (a) On final approval of the budget by the

23 commissioners court, the court shall:

24   (1) file a copy of the budget with the county auditor

25 and the county clerk; and

26   (2) if the county maintains an Internet website, take

27 action to ensure that:

1   (A) a copy of the budget, including the cover

2 page, is posted on the website; and

3   (B) the record vote described by Section

4 111.039(d)(2) is posted on the website at least until the first

5 anniversary of the date the budget is adopted.

6   (b) The commissioners court shall take action to ensure that

7 the cover page of the budget is amended to include the property tax

8 rates required by Section 111.039(d)(3) for the current fiscal year

9 if the rates are not included on the cover page when the budget is

10 filed with the county clerk. The commissioners court shall file an

11 amended cover page with the county clerk and take action to ensure

12 that the amended cover page is posted on the county's website.

13   SECTION 7. Section 111.068, Local Government Code, is

14 amended by amending Subsection (a) and adding Subsections (c) and

15 (d) to read as follows:

16   (a) At the conclusion of the public hearing, the

17 commissioners court shall take action on the proposed budget. A

18 vote to adopt the budget must be a record vote.

19   (c) An adopted budget must contain a cover page that

20 includes:

21   (1) one of the following statements in 18-point or

22 larger type that accurately describes the adopted budget:

23   (A) "This budget will raise more revenue from

24 property taxes than last year's budget by an amount of (insert total

25 dollar amount of increase), which is a (insert percentage increase)

26 percent increase from last year's budget. The property tax revenue

27 to be raised from new property added to the tax roll this year is

1 (insert amount computed by multiplying the proposed tax rate by the

2 value of new property added to the roll).";

3   (B) "This budget will raise less revenue from

4 property taxes than last year's budget by an amount of (insert total

5 dollar amount of decrease), which is a (insert percentage decrease)

6 percent decrease from last year's budget. The property tax revenue

7 to be raised from new property added to the tax roll this year is

8 (insert amount computed by multiplying the proposed tax rate by the

9 value of new property added to the roll)."; or

10   (C) "This budget will raise the same amount of

11 revenue from property taxes as last year's budget. The property tax

12 revenue to be raised from new property added to the tax roll this

13 year is (insert amount computed by multiplying the proposed tax

14 rate by the value of new property added to the roll).";

15   (2) the record vote of each member of the

16 commissioners court by name voting on the adoption of the budget;

17   (3) the county property tax rates for the preceding

18 fiscal year, and each county property tax rate that has been adopted

19 or calculated for the current fiscal year, including:

20   (A) the property tax rate;

21   (B) the effective tax rate;

22   (C) the effective maintenance and operations tax

23 rate;

24   (D) the rollback tax rate; and

25   (E) the debt rate; and

26   (4) the total amount of county debt obligations.

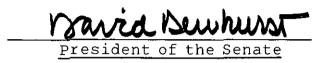27 (d) In this section, "debt obligation" means an issued

1 public security as defined by Section 1201.002, Government Code,

2 secured by property taxes.

3   SECTION 8. Section 111.069, Local Government Code, is

4 amended to read as follows:

5   Sec. 111.069. APPROVED BUDGET FILED WITH OFFICERS; POSTING

6 ON INTERNET. (a) On final approval of the budget by the

7 commissioners court, the court shall:

8   (1) file a copy of the budget with the county auditor

9 and the county clerk; and

10   (2) if the county maintains an Internet website, take

11 action to ensure that:

12   (A) a copy of the budget, including the cover

13 page, is posted on the website; and

14   (B) the record vote described by Section

15 111.068(c)(2) is posted on the website at least until the first

16 anniversary of the date the budget is adopted.

17   (b) The commissioners court shall take action to ensure that

18 the cover page of the budget is amended to include the property tax

19 rates required by Section 111.068(c)(3) for the current fiscal year

20 if the rates are not included on the cover page when the budget is

21 filed with the county clerk. The commissioners court shall file an

22 amended cover page with the county clerk and take action to ensure

23 that the amended cover page is posted on the county's website.

24   SECTION 9. This Act applies only to a budget adopted for a

25 fiscal year beginning on or after the effective date of this Act.

26   SECTION 10. This Act takes effect September 1, 2013.

David Dewhurst
President of the Senate

Joe Straus
Speaker of the House

I hereby certify that S.B. No. 656 passed the Senate on April 11, 2013, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 24, 2013, by the following vote: Yeas 31, Nays 0.

Patsy Spaw
Secretary of the Senate

I hereby certify that S.B. No. 656 passed the House, with amendment, on May 21, 2013, by the following vote: Yeas 145, Nays 2, three present not voting.

Robert Haney
Chief Clerk of the House

Approved:

14 JUNE '13
Date

Rick Perry
Governor

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