Commission on the Arts operating fund. If the person designates that a donation is intended for a specific fund, the donation shall be deposited in the designated fund.

(i) All money paid to the commission under this chapter, other than money required to be deposited in the Texas cultural endowment fund, is subject to Subchapter F, Chapter 404.

SECTION 2. Section 444.032(c), Government Code, is amended to read as follows:

(c) All proceeds from the sale of compact discs under the project shall be deposited in the Texas Commission on the Arts operating fund under Section 444.027.

SECTION 3. Sections 444.026 and 444.028, Government Code, are repealed.

SECTION 4. (a) Before December 1, 2009, the Texas Commission on the Arts, in consultation with interested stakeholders, shall review donor restrictions on donations to the Texas cultural endowment fund to determine if the donations may be transferred to the Texas Commission on the Arts operating fund.

(b) On December 1, 2009:

(1) the Texas cultural endowment fund is abolished;

(2) the money, including any interest or income earned before December 1, 2009, in the Texas cultural endowment fund that is not subject to donor restrictions prohibiting the transfer is transferred to the Texas Commission on the Arts operating fund; and

(3) the money, including any interest or income earned before December 1, 2009, in the Texas cultural endowment fund that is subject to donor restrictions prohibiting a transfer to the Texas Commission on the Arts operating fund is returned to the donor.

(c) Money transferred under Subsection (b)(2) of this section may not be used to reduce or eliminate appropriations made for the fiscal biennium beginning September 1, 2009, to the Texas Commission on the Arts.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

Passed by the House on May 8, 2009: Yeas 132, Nays 0, 1 present, not voting; passed by the Senate on May 26, 2009: Yeas 31, Nays 0.

Approved June 19, 2009.


CHAPTER 667

H.B. No. 2276

AN ACT

relating to the use of state hotel occupancy tax revenue to clean and maintain beaches in certain municipalities.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 156.2512(c)(1), Tax Code, is amended to read as follows:

(1) “Eligible barrier island coastal municipality” means a municipality:

(A) that borders on the Gulf of Mexico;

(B) that is located wholly or partly on a barrier island; and

(C) the boundaries of which are within 30 miles of the United Mexican States or include:

(i) a portion of a national seashore; or

(ii) a national estuarine research reserve.
SECTION 2. This Act takes effect on the first day of the first month beginning on or after the earliest date on which this Act may take effect if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for effect on that date, this Act takes effect September 1, 2009.

Passed by the House on May 1, 2009: Yeas 143, Nays 0, 1 present, not voting; passed by the Senate on May 26, 2009: Yeas 31, Nays 0.

Approved June 19, 2009.

Effective July 1, 2009.

CHAPTER 668

H.B. No. 2291

AN ACT

relating to the procedure to be used by a taxing unit in adopting an ad valorem tax rate.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 26.05(b), Tax Code, is amended to read as follows:

(b) A taxing unit may not impose property taxes in any year until the governing body has adopted a tax rate for that year, and the annual tax rate must be set by ordinance, resolution, or order, depending on the method prescribed by law for adoption of a law by the governing body. The vote on the ordinance, resolution, or order setting the tax rate must be separate from the vote adopting the budget. The vote on the ordinance, resolution, or order setting a tax rate that exceeds the effective tax rate must be a record vote. A motion to adopt an ordinance, resolution, or order setting a tax rate that exceeds the effective tax rate must be made in the following form: “I move that the property tax rate [taxes] be increased by the adoption of a tax rate of (specify tax rate), which is effectively a (insert percentage by which the proposed tax rate exceeds the effective tax rate) percent increase in the tax rate.” If the ordinance, resolution, or order sets a tax rate that, if applied to the total taxable value, will impose an amount of taxes to fund maintenance and operation expenditures of the taxing unit that exceeds the amount of taxes imposed for that purpose in the preceding year, the taxing unit must:

(1) include in the ordinance, resolution, or order in type larger than the type used in any other portion of the document:

(A) the following statement: “THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE.”; and

(B) if the tax rate exceeds the effective maintenance and operations rate, the following statement: “THE TAX RATE WILL EFFECTIVELY BE RAISED BY ([INSERT PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE EFFECTIVE MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $(Insert amount).”;

(2) include on the home page of any Internet website operated by the unit:

(A) the following statement: “([Insert name of unit) ADOPTED A TAX RATE THAT WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE]”; and

(B) if the tax rate exceeds the effective maintenance and operations rate, the following statement: “THE TAX RATE WILL EFFECTIVELY BE RAISED BY ([INSERT PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE EFFECTIVE MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $(Insert amount).”