

BILL ANALYSIS

Senate Research Center

H.B. 2649
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Intergovernmental Relations
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Engrossed

DIGEST

Currently, Section 794.018(a), Health and Safety Code, allows a rural fire prevention district (RFPD) to levy a tax not to exceed three cents on each \$100 of the taxable value of property taxable by the district. There is concern that some RFPDs may have difficulty maintaining services at this funding level. H.B. 2649 would increase the maximum tax rate levied by an RFPD in Harris County from three cents per \$100 valuation to five cents per \$100 valuation. Approval by a majority of the voters in the district would be required before any tax increase becomes effective.

PURPOSE

As proposed, H.B. 2649 outlines provisions regarding the maximum ad valorem tax rate for certain rural fire prevention districts.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 794.018(a), Health and Safety Code, to require the commissioners court to order an election to confirm the rural fire prevention district's (district) creation and authorize the levy of a tax not to exceed three cents on each \$100 of the taxable value of property taxable by the district, if no part of the district is located in Harris County or five cents on each \$100 of the taxable value of property taxable by the district, if any part of the district is located in Harris County, on the granting of a petition.

SECTION 2. Amends Chapter 794B, Health and Safety Code, by adding Section 794.0181, as follows:

Sec. 794.0181. ELECTION TO INCREASE TAX RATE IN HARRIS COUNTY. Authorizes the board of fire commissioners of a district any part of which is located in Harris County and the creation of which was confirmed when the maximum tax rate authorized by Section 48-d, Article III, Texas Constitution, was less than the rate specified by Section 794.018(a)(2), to order an election to increase the maximum tax rate of the district to the rate specified by Section 794.018(a)(2). Requires the proposition on the ballot to set out the proposed maximum tax rate to be authorized at the election. Sets forth requirements and provisions regarding an election to increase the tax rate for a district in Harris County.

SECTION 3. Provides that this Act takes effect on the date on which the constitutional amendment proposed by H.J.R. 96 of the 75th Legislature, Regular Session, 1997, takes effect. Provides that this Act has no effect if that amendment is not approved by the voters.

SECTION 4. Emergency clause.