

BILL ANALYSIS

Senate Research Center
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H.B. 2087
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Section 11.261, Tax Code, permits a municipality, county, or junior college district to call an election to freeze the taxes due on certain property owned by senior citizens and the disabled. An election can be called by petition of the voters or by the governing body.

In one Texas city, an election was triggered by a petition of the voters, however, the election to adopt the freeze failed to pass. Petitioners triggered another election the very next year and the election failed once again. Local government elections are expensive. While a senior/disabled tax freeze is an important option, in places where the voters have rejected the freeze on numerous occasions, tax dollars should be protected from repeated attempts to enact the freeze.

H.B. 2087 provides that in a general law municipality, county, or junior college district in which two petition-initiated tax freeze elections have taken place during a three-year period, and where the result of both of those elections was to reject the adoption of the freeze, a subsequent election is prohibited from taking place until at least three years have passed since the most recent failure to adopt the freeze took place. This bill provides that these provision do not prevent the governing body from directly establishing a tax freeze or from calling an election for the tax freeze.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 11.261, Tax Code, by adding Subsections (a-1), (a-2), and (a-3), as follows:

(a-1) Provides that this subsection applies only to a county, general-law municipality, or junior college district that, in any 36-month period, has held at least two elections under Section 1-b(h), Article VIII, Texas Constitution, each of which was called on receipt of a petition under that section and at each of which the voters of the county, general-law municipality, or junior college district did not approve the establishment of a limitation on county, municipal, or junior college district tax increases under that section. Prohibits the county, municipality, or junior college district, notwithstanding the subsequent receipt of a valid petition under Section 1-b(h), Article VIII, Texas Constitution, from holding another election under that section before the third anniversary of the date of the most recent of the two elections held in a 36-month period under that section by the county, municipality, or junior college district.

(a-2) Prohibits subsection (a-1) from being construed to prohibit the governing body of a county, general-law municipality, or junior college district from establishing, at any time and by its own action in the manner required by law for official action, a limitation on county, municipal, or junior college district tax increases under Section 1-b(h), Article VIII, Texas Constitution; or prohibiting the governing body of a county, general-law municipality, or junior college district that is authorized by a law outside this code to call, without a voter petition, an election under Section 1-b(h), Article VIII, Texas Constitution, from calling, at any time and by its own action in the manner required by law for official action, a subsequent election under that section to allow the voters of the

county, municipality, or junior college district to determine whether to establish a limitation on county, municipal, or junior college district tax increases under that section.

(a-3) Provides that this subsection applies only to a home-rule municipality that, in any 36-month period, has held at least two elections under Section 1-b(h), Article VIII, Texas Constitution, each of which was called on receipt of a petition under that section and at each of which the voters of the home-rule municipality did not approve the establishment of a limitation on municipal tax increases under that section. Requires the governing body of the municipality, on the subsequent receipt of a valid petition under Section 1-b(h), Article VIII, Texas Constitution, to order an election on the question but is authorized, notwithstanding any other state or local law, to choose to hold the election as part of the next regularly scheduled election for municipal officers that occurs after the date the governing body of the municipality orders the election and that allows sufficient time to prepare the ballot in compliance with other requirements of law.

SECTION 2. Effective date: September 1, 2007.