

BILL ANALYSIS

Senate Research Center
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H.B. 2617
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Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, when a new taxing entity is set up there is no law governing when the fiscal year starts or ends. The decision of when the fiscal year will start or end is left to those in charge of the new taxing entity. This has led to irregular fiscal years for many taxing entities. These irregular schedules make it difficult for the public to track down what their government representatives are doing and how they are spending their tax dollars. H.B. 2617 seeks to promote transparency by requiring certain special districts with the authority to impose a tax to have the same fiscal year as the county in which the district is wholly or primarily located.

H.B. 2617 amends current law relating to the fiscal year of certain political subdivisions.

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 Chapter 140, Local Government Code, by adding Section 140.012, as follows:

Sec. 140.012. FISCAL YEAR OF CERTAIN POLITICAL SUBDIVISIONS CREATED ON OR AFTER SEPTEMBER 1, 2019. (a) Provides that this section does not apply to a political subdivision that is a special district created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution.

(b) Provides that a political subdivision that is created on or after September 1, 2019, and that has authority to impose a tax is required to have the same fiscal year as the county in which the political subdivision is wholly or primarily located.

SECTION 2. Effective date: September 1, 2019.