

BILL ANALYSIS

Senate Research Center

H.B. 4704
By: Morrison (Huffman)
Local Government
5/15/2023
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Jackson County County-Wide Drainage District (district) relies on tax revenue to fund its operations and maintenance. H.B. 4704 seeks to provide for flexibility on required ballot language for approval of a property tax rate levied and collected by the district by basing such language on the tax rate prescribed by the election order. Additionally, the bill increases the maximum amount by which the assessor and collector of taxes for the district may be paid for their services and clarifies that the district may hold subsequent elections to modify the maximum tax rate approved by the electors.

To accomplish these objectives, H.B. 4704 amends Chapter 529, Acts of the 63rd Legislature, Regular Session, 1973, to change the ballot language for an election for voter approval of a property tax rate to be levied and collected by the district from language providing for a maximum amount of 75 cents on each \$100 of assessed valuation to language providing for a maximum amount prescribed by the election order, not to exceed 75 cents, on each \$100 of assessed valuation. The bill specifies that the proposition for the levy of the tax may be submitted at one or more separate elections or at one or more elections held for other purposes by the district and clarifies that the maximum rate approved by the electors may be subsequently modified by the district through voter approval. The bill raises the cap on the amount of the fee to which the assessor and collector of taxes for the district is entitled for their services from \$5,000 to \$10,000.

The Jackson County Commissioners Court voted unanimously in favor of the resolution dated January 24, 2023, asking the legislature to make this change in statute for the district.

H.B. 4704 amends current law relating to the taxing authority of Jackson County County-Wide Drainage District.

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 Subsections 14(a), (b), and (f), Chapter 529, Acts of the 63rd Legislature, Regular Session, 1973 (Article 8280-412, Vernon's Texas Civil Statutes), as follows:

(a) Authorizes the Jackson County County-Wide Drainage District (district), on the approval of the majority of the electors of the district voting at an election called for that purpose, to levy and collect ad valorem taxes at a rate of not more than 75 cents on each \$100 of assessed valuation to be used to pay the principal of and interest on bonds issued by the district and to pay for the operation of the district and maintenance of its property. Makes nonsubstantive changes.

(b) Requires the district to hold an election in the district in the manner provided in Section 17 of this Act to approve the tax rate before a tax is levied under this section. Requires the ballots for the election to be printed to provide for voting for or against a certain proposition. Sets forth the language required to be included in the proposition.

Authorizes the proposition for the levy of the tax to be submitted at one or more separate elections or to be submitted at one or more elections held for other purposes by the district. Authorizes a maximum rate approved by the electors to be subsequently modified by the district in the same manner provided for in this section. Makes nonsubstantive changes.

(f) Provides that the assessor and collector of taxes for the district is entitled to a fee for his or her services of not more than one percent of the total tax collected, but not more than \$10,000, rather than \$5,000, in any one fiscal year. Makes nonsubstantive changes.

SECTION 2. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 3. Effective date: upon passage or September 1, 2023.