



Legislative Update May 25, 2023

Monday, May 29, 2023, is the last day of Session.

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PROPERTY TAX BILLS

[HB 2 Meyer, Morgan\(R\)](#) Relating to providing property tax relief through the public school finance system and property tax appraisal and administration.

Companions: [HJR 1 Meyer, Morgan\(R\)](#) (Enabling) 5- 2-23 S Referred to Senate Committee on Senate Local Government

Current through Engrossed version.

Repeals Sections 31.072(h) and (i) and 23.23(c-1), Tax Code.

Adds Section 48.2555, Education Code.

Creates the maximum compressed tax rate for the 2023-2024 school year, (a) to be reduced by \$0.15, and (b) if the maximum compressed rate would be less than 90% of another school district's rate under (a), the tax rate is the value at which the district's maximum compressed tax rate would be equal to 90% of the other district's tax rate, among other provisions. Provides that this section expires 9-1-25.

Amends Section 31.072(a), Tax Code.

Requires, at the request of a property owner, the collector to enter into a contract with the property owner to deposit money in an escrow account for the payment of property taxes.

Proposed effective: 1-1-24.

Amends Sections 1.12(d), 23.23, 42.26(d), Tax Code and Section 403.302(d) and (i), Government Code.

Expands limitations on appraised values to apply to all real property, instead of being limited to residence homesteads under the current law. Lowers the limitation in Section 23.23, Tax code, to 5 percent from the current 10 percent.

Adds Section 23.23, Subsection (h), Tax Code. Includes a manufactured home in the definition of "real property" regardless of whether the owner elects to treat the manufactured home as real property under Section 1201.2055, Occupations Code.

Proposed effective: 1-1-24 if voters approve constitutional amendment November 2023.

Except as otherwise provided, Proposed effective: 9-1-23.

Last Action: 5- 2-23 S Referred to Senate Committee on Senate Local Government

[HB 1382 Hernandez, Ana\(D\)](#) Relating to the public sale of real property taken in execution of a judgment.

Companions: [SB 2067 Bettencourt, Paul\(R\)](#) (Identical) 3-21-23 S Introduced and referred to committee on Senate Local Government

Amends Sections 34.041, Civil Practice and Remedies Code.

Allows for the commissioner's court of a county to authorize the officer charged with conducting public auctions to use an online auction format. The rules adopted under this subsection would take effect on the 90th day after the date the rules are published in the real property records of the county.

Online sales shall not apply to a sale of real property conducted under Section 51.002, Property Code (deed of trust or other contract lien).

Proposed effective: 9-1-23.

Last Action: 05-18-23 G Sent to the Governor

[HB 4250](#) [Lalani, Suleman \(F\)\(D\)](#) Relating to the right of the clerk of a court to deduct from the amount of the excess proceeds from an ad valorem tax sale of property the cost of postage for sending to the former owner of the property a notice.

Amends Section 34.03, Tax Code.

Provides that a clerk may deduct from the amount of the excess proceeds, the cost of postage for sending a notice under Subsection (a)(1) to the former owner.

Proposed effective: 9-1-23.

Last Action: 05-25-23 S Passed on local calendar (Vote: Y: 29/N: 2)

[SB 59](#) [Zaffirini, Judith\(D\)](#) Relating to notice of water and wastewater requirements for the foreclosure sale of residential properties by certain political subdivisions.

Companions: [HB 2571](#) King, Tracy(D) (Identical) 4-28-23 H Laid on the table - subject to call - see SB 59

Current through Engrossed version.

Amends Sections 232.0315 (a) and (b), Local Government Code.

Applies the section to both counties and other political subdivisions located in the county. The current section applies to counties only.

Amends Section 34.01), Tax Code.

Requires the notice of sale to include the statement under Section 232.0315, Local Government Code, if the real property subject to the sale is located in a county subject to Subchapter B, Chapter 232, of that code and is presumed to be for residential use under Section 232.022 of that code.

Last Action: 5-13-23 Signed by the Governor 09-01-23 G Earliest effective date

[SB 62](#) [Zaffirini, Judith\(D\)](#) Relating to posting certain documents and information related to certain real property sales on a county's Internet website.

Amends 34.015, Tax Code and Section 51.002(f-1), Property Code.

Requires county assessor-collector to post on the county's website the form used to request a statement showing there are no delinquent taxes due to the taxing units within the county for the purposes of bidding on tax sale properties. Alternatively, the county assessor-collector can share a link to the state comptroller's website for the same form.

Requires counties to prominently post notice of sale for sale of real property under contract lien filed with the county clerk on the county's internet website. The notice shall include the date, time, and location of the sale; requirements for bidder eligibility; and where to make payments.

Proposed effective: 9-1-23.

Last Action: 5-17-23 Sent to the Governor

[SB 539 Campbell, Donna\(R\)](#) Relating to the manner in which an individual who has elected to defer collection of a tax, abate a suit to collect a delinquent tax, or abate a sale to foreclose a tax lien.

Amends Section 33.03, Tax Code.

Requires the collector for the taxing unit to indicate on each delinquent tax roll whether the delinquent tax is deferred or abated, if applicable.

Proposed effective: 1-1-24.

Last Action: 05-23-23 G Sent to the Governor

[SB 1486 Bettencourt, Paul\(R\)](#) Relating to the electronic payment of ad valorem taxes.
Companions: [HB 1608 Shine, Hugh\(R\)](#) (Identical) 3- 7-23 H Introduced and referred to committee on House Ways and Means

Amends Section 31.062, Tax Code.

Provides for the electronic payment of taxes and the procedures a collector shall establish for the collection of electronic payments.

Defines "electronic payment" as a payment by credit card, debit card, electronic check, electronic funds transfer, wire transfer, or automated clearinghouse withdrawal.

Provides that the officer or employee responsible for collection property taxes in a county with a population of 120,000 or more shall comply with this section beginning with the 2024 tax year.

Provides that the officer or employee responsible for collection property taxes in a county with a population of less than 120,000 shall comply with this section beginning with the 2025 tax year.

Amends Sections 31.06 and 33.011(h), Tax Code, to conform to addition of Section 31.062.

Proposed effective: 1-1-24.

Last Action: 4-12-23 H Referred to House Committee on House Ways and Means

[SB 2091](#) [West, Royce\(D\)](#) Relating to the authority of a taxing unit to sell certain seized or foreclosed property to an owner of an abutting property without conducting a public sale.

Companions: [HB 5139](#) Sherman, Carl(D) (Identical) 3-24-23 H Introduced and referred to committee on House Ways and Means

Adds Section 34.0101, Tax Code.

Allows for a narrow strip of land that cannot be used independently, land that is landlocked, or land located in a floodway to be sold to an owner of an abutting property at a private sale without the requirement that the taxing unit offer the real property subject to this section for sale to the public.

Proposed effective: 9-1-23.

Last Action: 05-24-23 S Set on the Senate Items Eligible Calendar

APPRAISAL DISTRICT ISSUES

[HB 2](#) [Meyer, Morgan\(R\)](#) Relating to providing property tax relief through the public school finance system and property tax appraisal and administration.

Companions: [HJR 1](#) Meyer, Morgan(R) (Enabling) 5- 2-23 S Referred to Senate Committee on Senate Local Government

Current through Engrossed version.

Repeals Sections 31.072(h) and (i) and 23.23(c-1), Tax Code.

Adds Section 48.2555, Education Code.

Creates the maximum compressed tax rate for the 2023-2024 school year, (a) to be reduced by \$0.15, and (b) if the maximum compressed rate would be less than 90% of another school district's rate under (a), the tax rate is the value at which the district's maximum compressed tax rate would be equal to 90% of the other district's tax rate, among other provisions. Provides that this section expires 9-1-25.

Amends Section 31.072(a), Tax Code.

Requires, at the request of a property owner, the collector to enter into a contract with the property owner to deposit money in an escrow account for the payment of property taxes.

Proposed effective: 1-1-24.

Amends Sections 1.12(d), 23.23, 42.26(d), Tax Code and Section 403.302(d) and (i), Government Code.

Expands limitations on appraised values to apply to all real property, instead of being limited to residence homesteads under the current law. Lowers the limitation in Section 23.23, Tax code, to 5 percent from the current 10 percent.

Adds Section 23.23, Subsection (h), Tax Code.

Includes a manufactured home in the definition of "real property" regardless of whether the owner elects to treat the manufactured home as real property under Section 1201.2055, Occupations Code.

Proposed effective: 1-1-24 if voters approve constitutional amendment November 2023.

Except as otherwise provided, Proposed effective: 9-1-23.

Last Action: 5- 2-23 S Referred to Senate Committee on Senate Local Government

[HB 96 Gonzalez, Mary\(D\)](#) Relating to the confidentiality of certain home address information in ad valorem tax appraisal records.

Companions: [SB 617](#) Blanco, Cesar(D) (Identical) 5- 9-23 G Sent to the Governor

Amends Section 25.025(a), Tax Code.

Adds customs and border protection officers and patrol agents to the list of property owners who may make their home address confidential in public appraisal records.

Proposed effective: Immediately on two-thirds vote of each house, otherwise 9-1-23.

Last Action: 5-15-23 S Referred to Senate Committee on Senate Border Security

[HB 260 Murr, Andrew\(R\)](#) Relating to the calculation of net to land in the appraisal of open-space land for ad valorem tax purposes.

Amends Section 23.51(4), Tax Code.

Requires chief appraiser to take into consideration the effect of wildlife or livestock disease or pest area designated by a state agency when calculating "net to land" for property that qualifies for valuation as open-space land.

Proposed effective: 1-1-24.

Last Action: 05-19-23 G Sent to the Governor

[HB 796 Button, Angie Chen\(R\)](#) Relating to the creation and maintenance by an appraisal district of a publicly available Internet database of information regarding protest hearings conducted by the appraisal review board established for the district.

Companions: [HB 3890](#) Button, Angie Chen(R) (Refiled from 87R Session)

Current through Engrossed version.

Amends Section 26.17(c), Tax Code.

Requires appraisal district website to include link to the Internet database required under Section 41.13, as added by this bill.

Adds Section 41.13, Tax Code.

Requires a chief appraiser to create and maintain a publicly available and searchable Internet database with information on protest hearings conducted by the appraisal review board (ARB), including attendees, date and time of the hearing, the account number and category for the property, the appraised value according to the appraisal district and the property owner's asserted value, and the ARB's determination. Requires chief appraiser to update the database not later than October 1 of each year. Requires chief appraiser to update the database beginning January 1, 2025, to include the most recent tax year and each subsequent year until the database includes the most recent five tax years. Requires, beginning January 1, 2030, for the database to include the information for the previous five tax years.

Proposed effective: 9-1-23.

Last Action: 5-16-23 G Sent to the Governor

[HB 1228 Metcalf, Will\(R\)](#) Relating to the right of a property owner or the owner's agent to receive on request a copy of the information used to appraise the owner's property for ad valorem tax purposes.

Amends Section 25.195, Tax Code, adding several subsections and amending others to conform to additions.

Requires chief appraiser to provide, free of charge, on the request of a property owner, the appraisal records relating to property of the property owner, together with supporting data, schedules, and other information used in making the appraisal records relating to the property.

Requires a private appraisal firm that appraises a property to provide, free of charge, on the request of a property owner, all information pertaining to the property that the firm considered in appraising the property, including all calculations, personal notes, correspondence, and working papers used in appraising the property.

Senate amendments added provisions originally proposed in SB 1487.

Amends Sections 1.07 and 1.085, Tax Code.

Requires a "tax official" to deliver any "communication" electronically if the property owner or owner's designee under Section 1.111(f) elects to exchange communications electronically under Section 1.085. Defines "tax official" as a chief appraiser, an appraisal district, an appraisal review board, an assessor, a collector, or a taxing unit. Defines "communication" broadly as notice, rendition, application form, appraisal review board order, bill, etc., "or other item of information required or permitted to be delivered under a provision of" the Tax Code.

Requires a tax official to establish a procedure for a property owner to make the election for electronic communications, which specifies the manner in which communications will be exchanged and the method that will be used to confirm the delivery of communications.

Provides that the election must be made on form prescribed by property owner and that election remains in effect until rescinded in writing.

Prohibits a tax official from charging a fee for electronic exchange of communications.

Requires tax officials to prominently display the information necessary for proper electronic delivery of communications to the official on the official's Internet website and on each communication sent by the official to a property owner or a person designated by a property owner under Section 1.111(f) that requires the property owner or designee to submit a communication to the tax official.

Prescribes effective dates and timeliness of electronically delivered communications. Requires comptroller to adopt rules and guidelines for the electronic delivery of communications and the implementation of this bill by tax officials.

Requires tax officials to accept and "acknowledge the receipt of a communication delivered electronically."

Amends Section 41.47(d), Tax Code.

Requires appraisal review board to deliver notice of board order electronically, if the owner or agent elected to receive electronic communications.

Amends Sections 25.192(d), 25.193(b), and 41.461(c) to account for changes.

Requires an appraisal district established in a county with a population of 120,000 or more and each taxing unit located wholly or primarily in such an appraisal district to comply with amendments to Section 1.085 beginning with the 2024 tax year. Requires an appraisal district and taxing units in a county with a population of less than 120,000 to comply beginning with the 2025 tax year.

Repeals Sections 1.085(b), (c), (g), (h), (k), (l), and (m); 1.086; 41.46(e); and 41.47(d-1), Tax Code.

Proposed effective: 1-1-24.

Last Action: 05-23-23 S Passed (Vote: Y: 31/N: 0)

[HB 1285 Shine, Hugh\(R\)](#) Relating to the duties of the taxpayer liaison officer of an appraisal district.

Current through Engrossed version.

Amends Section 5.06, Tax Code.

Requires Comptroller to prepare and electronically publish a pamphlet explaining remedies to dissatisfied taxpayers, describing the functions of a taxpayer liaison officer, and providing advice on preparing an presenting protests to the appraisal review board under Chapter 41.

Amends Section 6.052, Tax Code.

Authorizes the appointment of one or more deputy taxpayer liaison officers to assist the taxpayer liaison officer (TLO). Provides actions TLO may take in response to a complaint, such as meeting informally to facilitate informal resolution, assisting the complainant in identifying appropriate procedures, or recommending in writing a course of action the TLO deems appropriate. Authorizes TLO to dismiss complaints based on appraisal of property. Specifies that a TLO's failure or refusal to resolve a complaint to complainant's satisfaction may not be protested under Chapter 41 or appealed under Chapter 42. Requires the comptroller to publish the functions of the TLO and establish a training program for TLOs. Requires TLOs to complete comptroller's training after appointment and in each even-numbered year thereafter or be ineligible to serve as a TLO.. Requires TLO's name and contact information to be listed on appraisal district's website. Mandates the Board of Directors annually evaluate TLO.

Amends Section 41.66(q), Tax Code.

Transfers district's board of directors' authority to remove ARB chair in certain circumstances to the local administrative judge. Requires local administrative judge who removes a chair of an ARB to appoint another member of the ARB as chair,

Proposed effective: 1-1-24.

Last Action: 05-19-23 G Sent to the Governor

[HB 1301](#) [Geren, Charlie\(R\)](#) Relating to the duty of an appraisal review board to determine a motion or protest filed by a property owner and the right of the owner to appeal the board's determination.

Companions: [HB 2980](#) Geren, Charlie(R) (Refiled from 87R Session)

Amends Section 25.25 and Section 41.01, Tax Code.

Provides that an appraisal review board shall consider and determine by written order a timely filed motion under Section 25.25 or protest under Section 41.01. Prohibits ARB from determining that property owner has forfeited right to file the motion or protest or to have the motion or protest determined except as provide by sections 25.26 and 41.4115 (requiring property owner to pay the amount of taxes due on the portion of the taxable value of the property that is not in dispute before the delinquency date).

Proposed effective: Immediately on two-thirds vote of each house, otherwise 9-1-23

Last Action: 5- 9-23 S Referred to Senate Committee on Senate Local Government

[HB 1956](#) [Geren, Charlie\(R\)](#) Relating to the award of attorney's fees to a prevailing property owner in a judicial appeal of certain ad valorem tax determinations.

Companions: [HB 3995](#) Geren, Charlie(R) (Refiled from 87R Session)

Amends Section 42.29, Tax Code.

Expands availability of attorney's fees for a prevailing property owner from certain specified protests to all appeals of an appraisal review board order determining a motion under Section 25.25 or a protest under Chapter 41.

Modifies the existing limitation on attorney's fees to the greater of \$25,000 or 50 percent of the reduction in the property owner's tax liability, not to exceed the total amount by which the property owner's tax liability is reduced as a result of the appeal. Current caps are \$15,000 or 20 percent.

Provides that a property owner who prevails on an appeal under Section 42.25 or 42.26 for the owner's residence homestead is not subject to the limitation on attorney's fees provided by this section.

Proposed effective: Immediately on two-thirds vote of each house, otherwise 9-1-23.

Last Action: 5- 9-23 S Referred to Senate Committee on Senate Local Government

[HB 2121](#) [Paul, Dennis\(R\)](#) Relating to the form of a rendition statement or property report used to render property for ad valorem tax purposes.

Current through Senate Committee Substitute.

Amends Section 22.24(e), Tax Code.

Adds to the list of persons who are not required to swear to the truth and accuracy of a rendition a person who files a rendition on behalf of a property owner who is rendering tangible personal property used to produce income whose good faith estimate of the market value of that property is not more than \$25,000 (original version was \$500,000).

Proposed effective: 1-1-24.

Last Action: 05-19-23 H House refused to concur in Senate amendments
Conferees: Paul-chair, Murr, Perez, Thompson of Brazoria and Turner

[HB 2249](#) [Metcalf, Will\(R\)](#) Relating to the selection and administration of an appraisal review board in certain counties.

Companions: [HB 3322](#) Metcalf, Will(R) (Refiled from 87R Session) [SB 1099](#) Creighton, Brandon(R) (Refiled from 87R Session) [SB 882](#) Creighton, Brandon(R) (Identical)

3- 1-23 S Introduced and referred to committee on Senate Local Government

Adds Section 6.4101, Tax Code.

Provides for the election of appraisal review board members in a county with a population of more than 400,000 and that is adjacent to a county with a population of more than 3.3 million and no other counties with a population of more than 300,000. Establishes a board of three members elected by the voters of the county at the general election. Establishes two-year terms beginning January 1 of odd-numbered years. Requires individual be a resident of the county for at least two years before the date of the election to be eligible to serve on board. Provides that the appraisal district board of directors fills vacancies by appointment. Establishes grounds for removal.

Adds Section 6.4102, Tax Code.

Requires an application for a place on the ballot to be filed with the county judge of the county for which the appraisal district is established and be accompanied by a filing fee of \$250.

Amends Sections 6.052, 6.411, 6.412, and 5.413, Tax Code.

Makes changes recognizing elected as well as appointed board members.

Adds Section 6.414(h), Tax Code.

Provides that a majority of the appraisal review board members of a board elected under Section 6.4101 to provide for auxiliary board members appropriate to hear protests. Provides that the board prepares a list of qualified auxiliary board members to submit to the commissioners court of the county, who will appoint the auxiliary board members.

Proposed effective: 1-1-25, except Section 6.4102 which takes effect 1-1-24. Elections for appraisal review board members created by this act to take place beginning with the general election conducted in 2024.

Last Action: 4-18-23 S Referred to Senate Committee on Senate Local Government

[HB 2354](#) [Hefner, Cole\(R\)](#) Relating to the eligibility of land to continue to be appraised for ad valorem tax purposes as qualified open-space land following a transfer to a surviving spouse or surviving child.

Adds Section 23.54(e-1), Tax Code.

Provides that a change of ownership does not end eligibility for appraisal as agricultural land if ownership of the land is transferred from the former owner to the surviving spouse or a surviving child of the former owner. Senate Committee Substitute removes the surviving child provision.

Proposed effective: 1-1-24.

Last Action: 05-24-23 G Sent to the Governor

[HB 2488](#) [Geren, Charlie\(R\)](#) Relating to the burden of proof in a trial de novo appeal of the appraised value of property.

Companions: [SB 2167](#) Alvarado, Carol(D) (Identical) 3-22-23 S Introduced and referred to committee on Senate Local Government

Adds Section 42.23(i), Tax Code. Provides that in an appeal of the determination of appraised value, the burden of proof is on the appraisal district to support an increase in the appraised value of property by clear and convincing evidence if the value of that property was lowered by a trial on the merits under Chapter 42 in the previous tax year.

Proposed effective: 9-1-23.

Last Action: 05-25-23 H Set on the House Items Eligible Calendar

[HB 2908](#) [Murr, Andrew\(R\)](#) Relating to the authority of an appraisal district to purchase, finance the purchase of, or lease real property or construct or finance the construction of improvements to real property.

Companions: [SB 1349](#) Zaffirini, Judith(D) (Identical) 3-16-23 S Introduced and referred to committee on Senate Local Government

Amends Section 6.051, Tax Code.

Adds authority for an appraisal district board to finance the purchase of real property or finance the construction of improvements to real property. Provides that such financing does not require approval of the taxing units.

Provides that, for purchasing and construction transactions that do require taxing unit approval, if a governing body fails to timely act on the proposed transaction, the proposal is treated as if it had been approved by governing body. Current law provides that failure to timely act results in disapproval.

Proposed effective: 9-1-23.

Last Action: 5- 1-23 S Referred to Senate Committee on Senate Local Government

[HB 3207](#) [Murr, Andrew\(R\)](#) Relating to the composition of the agricultural advisory board of an appraisal district.

Amends Section 6.12, Tax Code.

Eliminates requirement that agricultural advisory board members have been residents of the appraisal district for at least five years.

Proposed effective: 9-1-23.

Last Action: 05-25-23 S Passed on local calendar (Vote: Y: 31/N: 0)

[HB 3327](#) [Wu, Gene\(D\)](#) Relating to the confidentiality of certain home address information in property tax appraisal records.

Companions: [SB 1532](#) Miles, Borris(D) (Identical) 3-16-23 S Introduced and referred to committee on Senate Business and Commerce

Amends Section 25.025(a), Tax Code.

Adds an employee of a public defender's office (as defined in Article 26.044(a), Code of Criminal Procedure) to the list of individuals who may make their home address information confidential in property tax appraisal records.

Proposed effective: Immediately on two-thirds vote of each house, otherwise, 9-1-23.

Last Action: 5-15-23 S Referred to Senate Committee on Senate Business and Commerce.

[HB 3364](#) [Button, Angie Chen\(R\)](#) Relating to the system for appraising property for ad valorem tax purposes.

Amends Section 1.07(d), Tax Code.

Requires notice of appraised value for property omitted from appraisal roll in preceding year to be sent via certified mail.

Amends Section 1.111(k), Tax Code.

Eliminates requirement for agent electronically submitting a designation of agent form to submit the IP address.

Amends Section 5.041, Tax Code

Increases training for ARB members from 8 to 10 hours. Provides that at least one instructor must be a taxpayer representative.

Adds Section 6.17, Tax Code.

Requires appraisal district in counties with a population of 120,000 or more to maintain an Internet website.

Amends Section 25.02, Tax Code.

Requires chief appraiser of a district in a county with a population of 120,000 or more to post appraisal district records on the district's website and to continuously update the posted records to include any change in appraised value.

Amends Section 41.45(b-1), Tax Code.

Decreases time for property owner to elect a hearing by telephone or videoconference from the 10th day before the hearing to the 5th day.

Adds Section 41.47, Tax Code.

Requires ARB to make written order stating the grounds for its determination if the ARB dismisses a protest on jurisdictional grounds.

Amends Section 41.61(c), Tax Code.

Increases notice an appraisal review board must give for the good cause hearing before issuing a subpoena to 15 days before hearing from current 5-day requirement.

Adds Section 41A.011, Tax Code.

Authorizes lessee of property valued at \$5 million or less who is contractually obligated to pay property taxes to challenge an ARB order through binding arbitration if owner does not appeal.

Amends Section 41A.015(a), Tax Code.

Provides that a non-binding limited arbitration may be used to compel the ARB or chief appraiser to comply with the model hearing procedures prepared by the comptroller or to compel the use of updated appraised values (i.e., after settlement or ARB determination) for an unequal appraisal protest.

Proposed effective: 9-1-23.

Last Action: 5-19-23 S Removed from hearing 05/19/23, Senate Local Government

[HB 3857](#) [Thimesch, Kronda \(F\)\(R\)](#) Relating to the eligibility of land for appraisal for ad valorem tax purposes as qualified open-space land.

Companions: [SB 1455](#) Paxton, Angela(R) (Identical) 3-16-23 S Introduced and referred to committee on Senate Local Government

Amends Section 23.51, Tax Code.

Provides that in determining degree of intensity for purposes of open-space land, the chief appraiser shall distinguish between various agricultural production methods, including organic, sustainable, pastured poultry, rotational grazing, and other uncommon production methods or systems. Clarifies that producing fruits and vegetables is an "agricultural use."

Adds Section 23.5215, Tax Code.

Tasks the comptroller, in conjunction with the Texas A&M AgriLife Extension Service, representatives of appraisal districts, and representatives of agricultural producers, with developing guidelines for uncommon agricultural uses and for determining when land under 10 acres in size qualifies as open-space land.

Proposed effective: 9-1-23.

Last Action: 5-11-23 S Referred to Senate Committee on Senate Local Government

[HB 4172](#) [Price, Four\(R\)](#) Relating to the authority of the governing body of a hospital district to vote for candidates for director of the appraisal district in which the hospital district participates.

Amends Section 6.03, Tax Code.

Adds hospital districts to the list of taxing units entitled to vote on the members of the board of directors for an appraisal district.

Proposed effective: 1-1-24.

Last Action: 5-16-23 S Referred to Senate Committee on Senate Local Government

[HB 4429](#) [Landgraf, Brooks\(R\)](#) Relating to certain school district tax abatements for power system reliability projects.

Companions: [SB 2153](#) Sparks, Kevin (F)(R) (Identical) 3-22-23 S Introduced and referred to committee on Senate Natural Resources/Economic Development

Amends Section 312.002, Tax Code.

Allows school districts to enter into tax abatement agreements under Subchapter D, added by this act.

Amends Section 312.0025, Tax Code.

Allows school, district to designate a n area ass a reinvestment zone for the purposes of Subchapter D, added by this act.

Adds Sections 312.501–.504, Tax Code.

Requires a school district to execute a tax abatement agreement for 10 years with the owner of a power system reliability project to exempt the project from school district maintenance and operation ad valorem taxation the value of any improvements greater than \$30 million in appraised value. Defines power system reliability project as an improvement to real property: with an appraised value of at least \$1 billion that was first placed in service on or after January 1, 2024, that is used to construct and operate a natural gas electric generation facility, and that is located in a reinvestment zone created by the school district. Requires chief appraiser to provide copies of tax abatement agreements involving power system reliability projects to the comptroller by June 1 of each year.

Amends Section 403.302, Government Code.

Adds reference to abatements under this act for purposes of comptroller's property value study.

Proposed effective: Immediately on two-thirds vote of each house, otherwise 9-1-23.

Last Action: 5-15-23 S Referred to Senate Committee on Senate Natural Resources/Economic Development

[HB 4456](#) [Harris, Cody\(R\)](#) Relating to the calculation of the no-new-revenue maintenance and operations rate for school districts.

Amends Sections 5.07, 26.012, 26.05, Tax Code.

Defines "no-new-revenue maintenance and operations rate" for a school district as the district's "rate to maintain."

For a school district, a vote on the resolution or order setting a tax rate in excess of the rate to maintain must be a record vote and at least 60% of the members of the governing body must vote in favor of the ordinance or resolution.

Proposed effective: 1-1-24.

Last Action: 05-25-23 S Passed on local calendar (Vote: Y: 29/N: 2)

[HB 4980](#) [Noble, Candy\(R\)](#) Relating to the appeal of certain ad valorem tax determinations through binding arbitration.

Companions: [SB 2355](#) Bettencourt, Paul(R) (Identical) 5-16-23 G Sent to Governor

Amends Section 41A.03, Tax Code.

Provides that a property owner desiring an appeal by binding arbitration files a request for arbitration with comptroller, rather than chief appraiser. Requires property owner filing arbitration request through an electronic system to make the arbitration deposit through that same system, otherwise it is paid by check or money order made out to comptroller.

Amends Sections 41A.04 and 41A.05 to reflect that the request for arbitration is filed with comptroller, rather than chief appraiser.

Amends Section 41A.08, Tax Code.

Requires property owner designation of agent to represent owner at arbitration to be made in writing on form prescribed by comptroller under Section 1.111. Requires agent to retain form and produce upon request of property owner, appraisal district, appraisal review board, the arbitrator, or the comptroller.

Proposed effective: 1-1-24.

Last Action: 5- 5-23 S Referred to Senate Committee on Senate Local Government

[SB 348 Springer, Drew\(R\)](#) Relating to the prohibition on posting on the Internet information held by an appraisal district regarding certain residential property.

Amends Section 25.027, Tax Code. Expands exceptions to prohibition of posting appraisal record information on the Internet if that information is a photograph, sketch, or floor plan of a residence. Authorizes aerial photographs of more than one separately owned building, street level photograph of only the exterior of a building, a record or overhead sketch showing the outline of buildings, general landscape features, and dimensions between buildings and features.

Proposed effective: Immediately on two-thirds vote of each house, otherwise 9-1-23.

Last Action: 05-23-23 G Sent to the Governor

[SB 361 Eckhardt, Sarah\(D\)](#) Relating to the eligibility of a person employed by a school district as a teacher to serve on the appraisal review board of an appraisal district.

Companions: [HB 2420 Shine, Hugh\(R\)](#) (Identical) 4-24-23 H Committee action pending House Ways and Means

Amends Section 6.412, Tax Code.

Authorizes a person employed by a school district as a teacher to serve on the appraisal review board, despite general prohibition of against "employee of a taxing unit."

Proposed effective: 9-1-23.

Last Action: 05-23-23 G Sent to the Governor

[SB 1191 Zaffirini, Judith\(D\)](#) Relating to late applications for the appraisal of land for ad valorem tax purposes as qualified open-space land following the death of the owner of the land.

Current through Engrossed version.

Amends Section 23.541, Tax Code.

Allows for late application for appraisal as agricultural land if the land was appraised as agricultural land in the preceding tax year, the former owner died during the preceding tax year, the application is filed not later than the delinquency date for the year for which the application is filed, and the application is filed by the surviving spouse or surviving child of decedent, the executor or administrator of the estate of the decedent or a fiduciary acting on behalf of a surviving spouse or surviving child of the decedent. Excuses the late filing application penalty if this section applies.

Last Action: 05-23-23 G Signed by the Governor 05-23-23 G Earliest effective date

[SB 1801](#) [Springer, Drew\(R\)](#) Relating to a requirement that each appraisal district periodically confirm that recipients of residence homestead exemptions qualify for those exemptions.

Companions: [HB 2747](#) Darby, Drew(R) (Identical) 5-11-23 H Set on the House Calendar

Adds Section 11.43(h-1), Tax Code.

Requires chief appraiser of an appraisal district to develop a program for the periodic review of each residence homestead exemption granted by the district under Section 11.13 to confirm that the recipient of the exemption still qualifies for the exemption at least once every five tax years. Allows the program to provide for the review to take place in phases, with a portion of the exemptions reviewed in each tax year.

Proposed effective: 9-1-23.

Last Action: 5-16-23 G Sent to Governor

[SB 1916](#) [Parker, Tan \(F\)\(R\)](#) Relating to publication of public improvement district service plans and assessments on certain public Internet websites.

Amends Sections 372.013, 372.016, 372.017, Local Government Code and 26.17, Tax Code.

Requires the governing body of a municipality that levies an assessment in a public improvement district to submit the assessment roll to the applicable appraisal district within seven days of levying the assessment and post a copy of the service plan on the municipality's website where other tax rate and budget information is located within the same time frame.

Requires public improvement districts assessments to be included on each appraisal districts 26.17 tax rate database website.

Proposed effective: 1-1-24.

Last Action: 05-24-23 H Passed on local calendar (Vote: Y:138/N: 0)

[SB 2355](#) [Bettencourt, Paul\(R\)](#) Relating to the appeal of certain ad valorem tax determinations through binding arbitration.

Companions: [HB 4980](#) Noble, Candy(R) (Identical) 5- 5-23 S Referred to Senate Committee on Senate Local Government

Amends Section 41A.03, Tax Code.

Provides that a property owner desiring an appeal by binding arbitration files a request for arbitration with comptroller, rather than chief appraiser. Requires property owner filing arbitration request through an electronic system to make the arbitration deposit through that same system, otherwise it is paid by check or money order made out to comptroller.

Amends Sections 41A.04 and 41A.05 to reflect that the request for arbitration is filed with comptroller, rather than chief appraiser.

Amends Section 41A.08, Tax Code.

Requires property owner designation of agent to represent owner at arbitration to be made in writing on form prescribed by comptroller under Section 1.111. Requires agent to retain form and produce upon request of property owner, appraisal district, appraisal review board, the arbitrator, or the comptroller.

Amends Section 41A.11, Tax Code.

Provides that a settlement reached by parties to an arbitration is a final determination of an appeal under Subchapter C, Chapter 42.

Proposed effective: 1-1-24.

Last Action: 5-16-23 G Sent to the Governor

EXEMPTIONS

[HB 35](#) [Bernal, Diego\(D\)](#) Relating to installment payments of ad valorem taxes imposed on residence homesteads in certain counties.

Amends Section 31.031, Tax Code.

Requires quarterly installment plans for anyone with an exemption under Tax Code Section 11.13 (including a residence homestead) in counties with a population of more than 1.5 million where more than 70 percent of the population lives in a single municipality.

Proposed effective: 1-1-24.

Last Action: 5-11-23 S Referred to Senate Committee on Senate Local Government

[HB 40](#) [Zwiener, Erin\(D\)](#) Relating to an exemption from ad valorem taxation of the portion of the appraised value of a person's property that is attributable to the installation in or on the property of certain water conservation systems.

Companions: [HB 186](#) Zwiener, Erin(D) (Refiled from 87R Session) [HJR 25](#) Zwiener, Erin(D) (Enabling) 5-12-23 S Referred to Senate Committee on Senate Local Government

Adds Section 11.325, Tax Code.

Allows an exemption of the value of a person's property that is attributable to the installment of a rainwater harvesting or graywater system.

See also HJR 25.

Proposed effective: 1-1-24 if voters approve constitutional amendment November 2023.

Last Action: 5-15-23 S Referred to Senate Committee on Senate Local Government

[HB 456](#) [Craddick, Tom\(R\)](#) Relating to an exemption from ad valorem taxation of certain royalty interests owned by a charitable organization.

Companions: [SB 834](#) King, Phil (F)(R) (Identical)3- 1-23 S Introduced and referred to committee on Senate Local Government

Amends Section 11.18, Tax Code.

Exempts from taxation royalty interests owned by a charitable organization. Senate Committee Substitute provides that the exemption only applies to charitable organizations described by Section 11.18(d)(1), (2), (3)(A)(ii), (5), (8), (13), (15), or (19). Exempts a mineral in place, including a royalty interest, if the interest is not severed from the surface estate or the interest was donated to the organization by the previous owner of the interest.

Proposed effective: 1-1-24.

Last Action: 05-25-23 H Set on the House Items Eligible Calendar

[HB 581](#) [Raymond, Richard\(D\)](#) Relating to an exemption from ad valorem taxation of real property owned by a charitable organization for the purpose of renting the property at below-market rates to low-income and moderate-income households.

Companions: [SB 613](#) Zaffirini, Judith(D) (Refiled from 87R Session) [SB 2398](#) Zaffirini, Judith(D) (Identical) 3-23-23 S Introduced and referred to committee on Senate Local Government

Amends Section 11.18, Tax Code.

Adds as a charitable purpose an organization providing services as a HUD-approved housing counseling agency and providing rental housing to low-income and moderate-income households at below-market rates. Limits this exemption to property that is used to provide rental housing in a municipality with a population of 200,000 or more that is located in a county on the Texas-Mexico border that has a population of less than 300,000.

Proposed effective: 1-1-24.

Last Action: 5-15-23 S Referred to Senate Committee on Senate Local Government

[HB 623](#) [Harris, Cody\(R\)](#) Relating to an exemption from ad valorem taxation of tangible personal property consisting of animal feed held by the owner of the property for sale at retail.

Companions: [HJR 47](#) Harris, Cody(R) (Enabling) 5- 2-23 S Referred to Senate Committee on Senate Local Government

Adds Section 11.162, Tax Code.

Exempts from ad valorem taxation value of tangible personal property consisting of animal feed which is also exempt from sales and use taxes if the tangible personal property is held by the owner for sale at retail. The substituted version is nearly identical but repeats that the exemption applies to "tangible personal property."

See HJR 47.

Proposed effective: 1-1-24 if voters approve constitutional amendment November 2023.

Last Action: 4-27-23 S Referred to Senate Committee on Senate Local Government

[HB 2397](#) [Guillen, Ryan\(R\)](#) Relating to the eligibility of certain property to continue to qualify for an ad valorem tax exemption or special appraisal following certain changes in ownership.

Adds Section 11.43(c), Tax Code.

Provides that ownership will not have been considered to have been changed if ownership of the property is transferred to a surviving spouse or a surviving child of the former owner.

Amends Sections 23.54 and 23.541, Tax Code.

Provides that ownership of land that is appraised for agricultural use is not considered to have changed ownership if the new owner uses the land in materially the same way as the form owner and the agricultural use is overseen or conducted by the same individuals who oversaw or conducted the use in the preceding tax year.

Proposed effective: 1-1-24.

Last Action: 5- 9-23 S Referred to Senate Committee on Senate Local Government

[HB 3241](#) [Guillen, Ryan\(R\)](#) Relating to the exemption of certain assets used for agricultural production from property taxes.

Companions: [HJR 141](#) Guillen, Ryan(R) (Enabling) 5- 9-23 S Received in the Senate

Adds Section 11.162, Tax Code.

Creates an exemption for "farm production inputs," including seeds, weaned animals, fertilizer, pesticides, feed, and other resources.

Proposed effective: 9-1-23.

Last Action: 5-11-23 S Referred to Senate Committee on Senate Local Government

[HB 3242](#) [Hefner, Cole\(R\)](#) Relating to the eligibility of the surviving spouse of an elderly person who qualified for a local option exemption from ad valorem taxation by a taxing unit of a portion of the appraised value.

Companions: [SB 1381](#) Eckhardt, Sarah(D) (Identical) 5-12-23 H Set on the Local Calendar

Amends Section 11.43, Tax Code.

Requires that the application form for Section 11.13 includes the date of birth of the applicant's spouse.

Adds Section 11.43(m-2).

Entitles surviving spouse to the residence homestead exemption without applying if the appraisal district learns of the spouse's death and the surviving spouse is otherwise entitled to receive the exemption as shown by information in the appraisal district records or information provided by the Texas Department of Public Safety.

Proposed effective: 1-1-24.

Last Action: 5- 6-23 H Withdrawn from the Local Calendar

[HB 3640](#) [Noble, Candy\(R\)](#) Relating to an exemption from ad valorem taxation of a portion of the appraised value of a property that is the primary residence of an adult who has an intellectual or developmental disability.

Companions: [HJR 150](#) Noble, Candy(R) (Enabling) 5- 2-23 S Referred to Senate Committee on Senate Local Government [SB 2163](#) King, Phil (F)(R) (Identical) 3-22-23 S Introduced and referred to committee on Senate Local Government

Adds Section 11.36, Tax Code.

Grants an exemption equal to the amount of the Sec. 11.13(b) exemption for real property that is the primary residence of an adult who has an intellectual or developmental disability and is related to the owner within the third degree of consanguinity and is not used for the production of income.

The House committee substitute provides that the exemption will not apply to a property that already qualifies as a person's residence homestead.

Proposed effective: 1-1-24 if voters approve a constitutional amendment November 2023.

Last Action: 4-26-23 S Referred to Senate Committee on Senate Local Government

[HB 3691](#) [Hefner, Cole\(R\)](#) Relating to the exemption from ad valorem taxation of certain property owned by a charitable organization that is engaged in providing housing and related facilities and services to persons who are at least 62 years of age.

Companions: [SB 1255](#) Hughes, Bryan(R) (Identical) 3- 9-23 S Introduced and referred to committee on Senate Local Government

Amends Section 11.18(d), Tax Code.

Adds providing support to children with disabilities in need of residential care as a charitable function. Also adds charitable housing and services for a facility designed to meet the needs of someone age 62 or older.

Proposed effective: 1-1-24.

Last Action: 5-15-23 S Referred to Senate Committee on Senate Local Government

[HB 3757](#) [Wilson, Terry\(R\)](#) Relating to the authority of a taxing unit other than a school district to establish a limitation on the amount of ad valorem taxes that the taxing unit may impose on the residence homesteads.

Companions: [HB 1061](#) Bucy, John(D) (Refiled from 87R Session) [HB 1283](#) Wilson, Terry(R) (Refiled from 87R Session) [HB 3437](#) Goldman, Craig(R) (Refiled from 87R Session) [HB 1083](#) Bucy, John(D) (Identical) 3- 2-23 H Introduced and referred to committee on House Ways and Means [HJR 153](#) Wilson, Terry(R) (Enabling) 5-10-23 S Received in the Senate [SB 830](#) Flores, Pete(R) (Identical) 3- 1-23 S Introduced and referred to committee on Senate Local Government

Amends Section 11.261, Tax Code.

Allows a taxing unit other than a school district to create a tax ceiling for an individual who is disabled or over age 65.

Proposed effective: Immediately on two-thirds vote of each house, otherwise 9-1-23.

Last Action: 5-12-23 S Referred to Senate Committee on Senate Local Government

[HB 4077](#) [Noble, Candy\(R\)](#) Relating to the procedure for qualifying for an exemption from ad valorem taxation of the residence homestead of an elderly person.

Amends Section 11.43, Tax Code.

Provides that if a person is turning 65 in the next tax year, they will not be required to apply for the exemption if the appraisal district has information in its records or receives information from the Texas Department of Public Safety which shows they qualify.

Proposed effective: 1-1-24.

Last Action: 05-24-23 G Sent to the Governor

[HB 4158](#) [Schofield, Mike\(R\)](#) Relating to the determination and reporting of the number of residence homesteads of elderly or disabled persons that are subject to the limitation on the total amount of ad valorem taxes that may be imposed.

Amends Section 11.26, Tax Code.

Requires the chief appraiser to determine the number of residence homesteads subject to the tax ceiling for each school district and report that number to the comptroller.

Proposed effective: 1-1-24.

Last Action: 05-25-23 S Passed on local calendar (Vote: Y: 31/N: 0)

[HB 4181](#) [Munoz, Sergio\(D\)](#) Relating to an exemption from ad valorem taxation of the residence homestead of the surviving spouse of a military service member who is killed or fatally injured in the line of duty.

Companions: [HJR 165](#) Munoz, Sergio(D) (Enabling) 5- 5-23 S Referred to Senate Committee on Senate Local Government [SB 1604](#) Paxton, Angela(R) (Identical) 3-16-23 S Introduced and referred to committee on Senate Local Government

Amends Section 11.133, Tax Code.

Grants an exemption to the surviving spouse of a qualifying military service member killed in the line of duty. A qualifying military service member is a member of the armed forces or a military technician (dual status) as defined under federal law.

Proposed effective: 1-1-24 if voters approve a constitutional amendment November 2023.

Last Action: 5-10-23 S Referred to Senate Committee on Senate Local Government

[HB 4645](#) [Flores, Lulu \(F\)\(D\)](#) Relating to the exemption from ad valorem taxation of certain property used to provide low-income or moderate-income housing.

Companions: [SB 2324](#) Zaffirini, Judith(D) (Identical) 3-22-23 S Introduced and referred to committee on Senate Local Government

Amends Section 11.1825, Tax Code.

Adds as an organization entitled to an exemption an organization that leases land for improvements that the organization constructs or rehabilitates to provide housing to persons meeting an income eligibility requirement.

Proposed effective: 1-1-24.

Last Action: 05-24-23 S Passed (Vote: Y: 25/N: 6)

[HJR 25](#) [Zwiener, Erin\(D\)](#) Proposing a constitutional amendment to authorize the legislature to exempt from ad valorem taxation the portion of the assessed value of a person's property that is attributable to the installation rainwater collection.

Companions: [HB 40](#) Zwiener, Erin(D) (Enabling) 5-15-23 S Referred to Senate Committee on Senate Local Government

Proposes amendment adding Section 1-s, Article VIII, Texas Constitution, authorizing the Legislature to allow an exemption of the value a person's property that is attributable to the installment of a rainwater harvesting or graywater system.

See HB 40.

Last Action: 5-12-23 S Referred to Senate Committee on Senate Local Government

[HJR 47](#) [Harris, Cody\(R\)](#) Proposing a constitutional amendment authorizing the legislature to exempt from ad valorem taxation tangible personal property consisting of animal feed held by the owner of the property for sale at retail.

Companions: [HB 623](#) Harris, Cody(R) (Enabling) 4-27-23 S Referred to Senate Committee on Senate Local Government

Proposes amendment to Article VIII, Texas Constitution, to exempt from ad valorem taxation value of animal feed which is held by the owner for sale at retail.

Last Action: 5- 2-23 S Referred to Senate Committee on Senate Local Government

[HJR 153](#) [Wilson, Terry\(R\)](#) Proposing a constitutional amendment to authorize a limitation on the total amount of ad valorem taxes that may be imposed on the residence homestead of certain low-income persons who are disabled or elderly.

Companions: [HJR 62](#) Bucy, John(D) (Refiled from 87R Session)[HJR 71](#) Wilson, Terry(R) (Refiled from 87R Session)[HJR 141](#) Goldman, Craig(R) (Refiled from 87R Session)[HB 3757](#) Wilson, Terry(R) (Enabling) 5-11-23 H Passed (Vote: Y:131/N: 14) [HJR 68](#) Bucy, John(D) (Identical) 2-28-23 H Introduced and referred to committee on House Ways and Means [SJR 42](#) Flores, Pete(R) (Identical) 3- 1-23 S Introduced and referred to committee on Senate Local Government

Proposes amendment to Section 1-b, Article VIII, Texas Constitution. Allows a political subdivision other than a school college district to limit the total amount of ad valorem taxes imposed on a residence homestead of a person who is disabled or is 65 years of age or older.

Last Action: 5-11-23 S Referred to Senate Committee on Senate Local Government

[HJR 165](#) [Munoz, Sergio\(D\)](#) Proposing a constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homestead of the surviving spouse.

Companions: [HB 4181](#) Munoz, Sergio(D) (Enabling) 5-10-23 S Referred to Senate Committee on Senate Local Government [SJR 73](#) Paxton, Angela(R) (Identical) 3-16-23 S Introduced and referred to committee on Senate Local Government

Proposes amendment to Sections 1-b(m) and (n), Article VIII of the Texas Constitution. Allows the legislature to exempt the residence of a surviving spouse of a military service member, and allows the legislature to define "military service member."

Last Action: 5- 5-23 S Referred to Senate Committee on Senate Local Government

[SB 3](#) [Bettencourt, Paul\(R\)](#) Relating to an increase in the amount of the exemption of residence homesteads from ad valorem taxation by a school district, an adjustment in the amount of the limitation on school district ad valorem taxes.

Companions: [HB 5046](#) Toth, Steve(R) (Identical) 3-23-23 H Introduced and referred to committee on House Ways and Means [SJR 3](#) Bettencourt, Paul(R) (Enabling) 5-18-23 H Passed (Vote Y:143/N:0)

House Committee Substitute adds Section 48.2555, Education Code.

Creates the maximum compressed tax rate for the 2023-2024 school year, (a) to be reduced by \$0.15, and (b) if the maximum compressed rate would be less than 90% of another school district's rate under (a), the tax rate is the value at which the district's maximum compressed tax rate would be equal to 90% of the other district's tax rate, among other provisions. Provides that this section expires 9-1-25.

House Committee Substitute adds Section 48.283, Education Code.

Adds additional state funding for school districts that receive less under the adjusted compression rate.

Amends Sections 11.13 and 11.26, Tax Code.

Increases the homestead exemption for school districts from \$40,000 to \$100,000 (House Committee Substitute, original was \$70,000). Reduces the ceiling in 2024 to account for additional exemptions. Provides for the certification from the CAD to reflect the higher exemptions which will be used in the calculation of the rates.

Repeals Sections 11.26(a-1), (a-2), and (a-3), Tax Code.

House Committee Substitute amends Section 23.23, Tax Code.

Expands limitations on appraised values to apply to all real property, instead of being limited to residence homesteads under the current law. Lowers the limitation to 5 percent from the current 10 percent. Includes a manufactured home in the definition of "real property" regardless of whether the owner elects to treat the manufactured home as real property under Section 1201.2055, Occupations Code.

House Committee Substitute amends Section 31.072, Tax Code.

Requires, at the request of a property owner, the collector to enter into a contract with the property owner to deposit money in an escrow account for the payment of property taxes.

Proposed effective: On date constitutional amendments are effective, as to exemptions and 2023 taxes, if voters approve constitutional amendment November 2023. 1-1-24, as to escrow accounts.

Last Action: 05-24-23 S Set on the Senate Items Eligible Calendar

[SB 719](#) [Paxton, Angela\(R\)](#) Relating to an exemption from ad valorem taxation of property owned by a charitable organization that provides services related to the placement of a child in a foster or adoptive home.

Companions: [SB 734](#) Paxton, Angela(R) (Refiled from 87R Session)

Amends Section 11.18, Tax Code.

Allows an exemption for property owned by a charitable organization that provides services related to planning for the placement of or placing children in foster or adoptive homes or providing support or relief to women who are or may be pregnant and who are considering placing their unborn children for adoption.

Amends various sections of the Tax Code changing references to "handicapped" to "persons with disabilities."

Proposed effective: 1-1-24.

Last Action: 05-24-23 H Passed on local calendar (Vote: Y:138/N: 0)

[SB 1145](#) [West, Royce\(D\)](#) Relating to an exemption from ad valorem taxation of real property used to operate a child-care facility.

Companions: [HB 3621](#) Talarico, James(D) (Identical) 5- 4-23 H Reported from committee as substituted House Ways and Means [SJR 64](#) West, Royce(D) (Enabling) 5-18-23 H Passed to third reading

Adds Sec. 11.36, Tax Code.

Allows an exemption for real property a person owns and operates as a qualifying child-care facility. The use of the property for other functions does not result in the loss of the exemption if the other functions are incidental to the use of the child-care services.

Proposed effective: 1-1-24 if voters approve constitutional amendment November 2023.

Last Action: 5- 17-23 G Sent to the Governor

[SB 1381](#) [Eckhardt, Sarah\(D\)](#) Relating to the eligibility of the surviving spouse of an elderly person who qualified for a local option exemption from ad valorem taxation by a taxing unit of a portion of the appraised value.

Companions: [HB 3242](#) Hefner, Cole(R) (Identical) 5- 6-23 H Withdrawn from the Local Calendar

Amends Section 11.43, Tax Code.

Requires that the application form for Section 11.13 include the date of birth of the applicant's spouse. Provides that the surviving spouse is entitled to the exemption without applying if the appraisal district learns of the spouse's death and the surviving spouse is otherwise entitled to receive the exemption as shown by information in the appraisal district records or information provided by the Texas Department of Public Safety.

Proposed effective: 1-1-24.

Last Action: 5-16-23 G Sent to the Governor

[SB 1439](#) [Springer, Drew\(R\)](#) Relating to the ad valorem taxation of tangible personal property held or used for the production of income by related business entities.

Amends 11.145, Tax Code.

States that the exemption of \$2,500 for tangible personal property will apply to related business entities that compose a unified business enterprise.

Proposed effective: 1-1-24.

Last Action: 05-23-23 G Sent to the Governor

[SB 2289](#) [Huffman, Joan\(R\)](#) Relating to the exemption from ad valorem taxation of certain tangible personal property held by a manufacturer of medical or biomedical products as a finished good or used in manufacturing or processing.

Companions: [HB 4901](#) Bonnen, Greg(R) (Identical) 4-17-23 H Committee action pending House Ways and Means

Adds Section 11.36, Tax Code.

Allows an exemption for medical or biomedical property a person owns or leases located in a medical or biomedical manufacturing facility.

Proposed effective: 1-1-24 if voters approve a constitutional amendment November 2023.

Last Action: 05-19-23 G Sent to the Governor

[SJR 3 Bettencourt, Paul\(R\)](#) Proposing a constitutional amendment to increase the amount of the exemption of residence homesteads from ad valorem taxation by a school district.

Companions: [SB 3 Bettencourt, Paul\(R\)](#) (Enabling) 5-18-23 H Passed to third reading

Current though House Committee Substitute.

Proposes amendment to Amends Section 1 and 1-b, Article VIII, Texas Constitution.

Authorizes Legislature to limit the increase in the appraised value of all real property to 5 percent of the preceding year's value.

Increases the general homestead exemption for a school district from \$40,000 to \$100,00. Authorizes the adjustment of the ceiling to account for increases in exemption amounts. Provides that appropriations for school property tax relief are not counted toward the constitutional limit of growth in appropriations.

Proposed effective: If passed by voters change to Sec 1 effective 1-1-24, change to homestead exemption and ceiling 1-1-23, and change as to limitation of appropriations 9-1-23.

Last Action: 05-24-23 S Set on the Senate Items Eligible Calendar

[SJR 64 West, Royce\(D\)](#) Proposing a constitutional amendment authorizing the legislature to exempt from ad valorem taxation real property used to operate a child-care facility.

Companions: [HJR 96 Talarico, James\(D\)](#) (Identical) 3- 3-23 H Introduced and referred to committee on House Ways and Means [HJR 149 Talarico, James\(D\)](#) (Identical) 5- 5-23 H Reported favorably from committee on House Ways and Means [SB 1145 West, Royce\(D\)](#) (Enabling) 5- 8-23 H Reported favorably from committee on House Ways and Means

Proposes an amendment to Article VIII, Texas Constitution authorizing the legislature to exempt real property used to operate a child-care facility.

See SB 1145.

Last Action: 05-22-23 G Filed with the Secretary of State 11-07-23 G Election date.

[SJR 87 Huffman, Joan\(R\)](#) Proposing a constitutional amendment to authorize the legislature to exempt from ad valorem taxation certain tangible personal property held by a manufacturer of medical or biomedical products.

Companions: [HJR 184 Bonnen, Greg\(R\)](#) (Identical) 4-17-23 H Committee action pending House Ways and Means

Proposes amendment to Article VIII of the Texas Constitution, allowing the legislature to exempt personal property held by a manufacturer of medical or biomedical products as a finished good or used in the manufacturing.

Last Action: 05-19-23 G Filed with the Secretary of State 11-07-23 G Election date.

SCHOOL FUNDING

[HB 2 Meyer, Morgan\(R\)](#) Relating to providing property tax relief through the public school finance system and property tax appraisal and administration.

Companions: [HJR 1 Meyer, Morgan\(R\)](#) (Enabling) 5-2-23 S Referred to Senate Committee on Senate Local Government

Current through Engrossed version.

Repeals Sections 31.072(h) and (i) and 23.23(c-1), Tax Code.

Adds Section 48.2555, Education Code.

Creates the maximum compressed tax rate for the 2023-2024 school year, (a) to be reduced by \$0.15, and (b) if the maximum compressed rate would be less than 90% of another school district's rate under (a), the tax rate is the value at which the district's maximum compressed tax rate would be equal to 90% of the other district's tax rate, among other provisions. Provides that this section expires 9-1-25.

Amends Section 31.072(a), Tax Code.

Requires, at the request of a property owner, the collector to enter into a contract with the property owner to deposit money in an escrow account for the payment of property taxes.

Proposed effective: 1-1-24.

Amends Sections 1.12(d), 23.23, 42.26(d), Tax Code and Section 403.302(d) and (i), Government Code.

Expands limitations on appraised values to apply to all real property, instead of being limited to residence homesteads under the current law. Lowers the limitation in Section 23.23, Tax code, to 5 percent from the current 10 percent.

Adds Section 23.23, Subsection (h), Tax Code.

Includes a manufactured home in the definition of "real property" regardless of whether the owner elects to treat the manufactured home as real property under Section 1201.2055, Occupations Code.

Proposed effective: 1-1-24 if voters approve constitutional amendment November 2023.

Except as otherwise provided, Proposed effective: 9-1-23.

Last Action: 5- 2-23 S Referred to Senate Committee on Senate Local Government

[HB 100 King, Ken\(R\)](#) Relating to the compensation of public school educators and to the public school finance system, including enrollment-based funding for certain allotments under the Foundation School Program.

Voted out of the House with numerous amendments on April 27th. If approved by the Senate, in its current form, this bill will change the Property Value Study (PVS) and Audits.

Among many other things, we believe HB 100 would continue the Comptroller's PVS, but it would change the determination of the District Property Value (DPV) used in state funding formulas. Doing so would eliminate the use of the Comptroller's assignment of a state value as a PVS finding. Instead, the Texas Education Agency (TEA) Commissioner would determine the DPV for school districts by recognizing local values with deductions allowed under Government Code Section 403.302(d).

Additionally, the bill appears to effectively eliminate the ability of school districts to correct and/or audit the values reported under the Government Code. Without reference to Government Code Section 403.302(h) the bill does not clearly direct the TEA to accept changes to the DPV. As a result, school districts may no longer be able to recover funding through corrections or taxable value audits of the DPV, which ameliorate the impacts of property tax litigation or reporting errors.

A separate portion of the bill removed passing the Comptroller's MAP review as an impediment for grace period eligibility on the PVS.

The proposed legislation also alters the way the Tier One tax rate compression ceiling is calculated, basing future reduction of that ceiling on local property values.

Finally, it would also provide PVS Hardship Grants in the 2023-24 and 2024-25 school years for school districts that failed the PVS in the prior school year. This could impact school districts who had state values assigned on the PVS in the 2022-23 school year. However, there appears to be a cap at \$175 million.

Proposed effective: 9-1-24.

Last Action: 05-23-23 S Passed (Vote: Y: 18/N: 13)

[HB 1206 Guillen, Ryan\(R\)](#) Relating to a determination of a school district's assets to liabilities ratio under the public school financial accountability rating system.

Amends Section 39.082, Education Code.

Prohibits use of any amount expended by a district to comply with Chapter 49 in the determination of the ratio of assets to liabilities if the district is required by Section 48.257 to reduce its local revenue level.

Proposed effective: Immediately on two-thirds vote of each house, otherwise 9-1-23.

Last Action: 05-18-23 S Committee action pending Senate Education

[SB 3 Bettencourt, Paul\(R\)](#) Relating to an increase in the amount of the exemption of residence homesteads from ad valorem taxation by a school district, an adjustment in the amount of the limitation on school district ad valorem taxes.

Companions: [HB 5046](#) Toth, Steve(R) (Identical) 3-23-23 H Introduced and referred to committee on House Ways and Means [SJR 3](#) Bettencourt, Paul(R) (Enabling) 5-18-23 H Passed (Vote Y:143/N:0)

House Committee Substitute adds Section 48.2555, Education Code.

Creates the maximum compressed tax rate for the 2023-2024 school year, (a) to be reduced by \$0.15, and (b) if the maximum compressed rate would be less than 90% of another school district's rate under (a), the tax rate is the value at which the district's maximum compressed tax rate would be equal to 90% of the other district's tax rate, among other provisions. Provides that this section expires 9-1-25.

House Committee Substitute adds Section 48.283, Education Code.

Adds additional state funding for school districts that receive less under the adjusted compression rate.

Amends Sections 11.13 and 11.26, Tax Code.

Increases the homestead exemption for school districts from \$40,000 to \$100,000 (House Committee Substitute, original was \$70,000). Reduces the ceiling in 2024 to account for additional exemptions. Provides for the certification from the CAD to reflect the higher exemptions which will be used in the calculation of the rates.

Repeals Sections 11.26(a-1), (a-2), and (a-3), Tax Code.

House Committee Substitute amends Section 23.23, Tax Code.

Expands limitations on appraised values to apply to all real property, instead of being limited to residence homesteads under the current law. Lowers the limitation to 5 percent from the current 10 percent. Includes a manufactured home in the definition of "real property" regardless of whether the owner elects to treat the manufactured home as real property under Section 1201.2055, Occupations Code.

House Committee Substitute amends Section 31.072, Tax Code.

Requires, at the request of a property owner, the collector to enter into a contract with the property owner to deposit money in an escrow account for the payment of property taxes.

Proposed effective: On date constitutional amendments are effective, as to exemptions and 2023 taxes, if voters approve constitutional amendment November 2023. 1-1-24, as to escrow accounts.

Last Action: 05-24-23 S Set on the Senate Items Eligible Calendar

[SB 1621](#) [Kolkhorst, Lois\(R\)](#) Relating to requiring state contractors, political subdivisions of this state, and private employers to participate in the federal electronic verification of employment authorization program, or E-verify.

Companions: [HB 3846](#) Toth, Steve(R) (Identical) 3-20-23 H Introduced and referred to committee on House State Affairs

Amends Chapter 2264, Government Code, various sections.

Requires a contractor or subcontractor for any state agency to register with and participate in an E-verify Program to enter into a contract and during the term of the contract. The contractor or subcontractor must verify that they are not ineligible to receive the contract under Subchapter C, Chapter 2264. If a state agency determines that a contractor is not participating in the E-verify program, was awarded a contract in violation of Section 2264.102, or hired a subcontractor that is not registered or participating in the E-very program, they shall report it to the comptroller who shall bar the contractor from participating in state contracts for a period of one year. It is a defense to disbarment that the contractor did not know that the subcontractor was in non-compliance.

Adds Chapter 53, Labor Code.

Prohibits an employer for classifying an employee as an independent contractor for the sole purpose of avoiding the requirements of registering and participating in the E-verify program to verify information of all new employees.

Adds Chapter 181, Local Gov't Code.

Requires political subdivisions to participate in the E-verify program to verify information of all new employees.

Proposed effective date: 9-1-23.

Last Action: 5-19-23 S Placed on the Senate Calendar for

[SB 1801](#) [Springer, Drew\(R\)](#) Relating to a requirement that each appraisal district periodically confirm that recipients of residence homestead exemptions qualify for those exemptions.

Companions: [HB 2747](#) Darby, Drew(R) (Identical) 5-11-23 H Set on the House Calendar

Adds Section 11.43(h-1), Tax Code.

Requires chief appraiser of an appraisal district to develop a program for the periodic review of each residence homestead exemption granted by the district under Section 11.13 to confirm that the recipient of the exemption still qualifies for the exemption at least once every five tax years. Allows the program to provide for the review to take place in phases, with a portion of the exemptions reviewed in each tax year.

Proposed effective: 9-1-23.

Last Action: 5-16-23 G Sent to the Governor

[SJR 3 Bettencourt, Paul\(R\)](#) Proposing a constitutional amendment to increase the amount of the exemption of residence homesteads from ad valorem taxation by a school district.

Companions: [SB 3 Bettencourt, Paul\(R\)](#) (Enabling) 5-18-23 H Passed to third reading

Proposes amendment to Amends Section 1 and 1-b, Article VIII, Texas Constitution, authorizing Legislature to limit the increase in the appraised value of all real property to 5 percent of the preceding year's value.

Increases the general homestead exemption for a school district from \$40,000 to \$100,00. Authorizes the adjustment of the ceiling to account for increases in exemption amounts. Provides that appropriations for school property tax relief are not counted toward the constitutional limit of growth in appropriations.

Proposed effective: If passed by voters change to Sec 1 effective 1/1/24, change to homestead exemption and ceiling 1/1/23, and change as to limitation of appropriations 9/1/23

Last Action: 05-24-23 S Set on the Senate Items Eligible Calendar

TRUTH IN TAXATION

[HB 159 Landgraf, Brooks\(R\)](#) Relating to the procedure by which a taxing unit is required to provide public notice of certain ad valorem tax-related information.

Companions: [HB 1360 Landgraf, Brooks\(R\)](#) (Refiled from 87R Session)

Amends Section 26.04(e), Tax Code.

Requires the taxing unit to publish the proposed tax rates in a newspaper in addition to posting prominently on the home page of the taxing unit's Internet website. Requires taxing unit designated officer required to post information on the home page of the taxing unit's internet website under Subsection (e) to also publish a summary of that information and the uniform resource locator (URL) address of the location where that information is posted in a newspaper of general circulation in each county in which the taxing unit is located. Excepts a taxing unit located wholly or partly in a county with a population of one million or more or if no part of the taxing unit is located in a county in which a newspaper of general circulation is published.

Proposed effective: 9-1-24.

Last Action: 5- 16-23 S Meeting set for 8:45 A.M., E1.004, Senate Local Government

[HB 3273 Thierry, Shawn\(D\)](#) Relating to public notice of the availability on the Internet of property-tax-related information.

Amends Sections 25.19 and 26.04, Tax Code.

Renumbers previous legislation. Requires the chief appraiser, by September 1 or as soon thereafter as practicable, to post notices about the 26.17 property tax database on the appraisal district's website and requires the assessor for each taxing unit to post notices about the 26.17 property tax database on the taxing unit's website. Requires the notice concerning "Texas.gov/PropertyTaxes" to be in bold typeface.

Requires the chief appraiser of each appraisal district that maintains an internet website to allow property owners to register to receive email notifications regarding updates to the property tax database.

Requires notice of the 26.17 property tax database to be included in ARB hearing notices.

Proposed effective 1-1-24

Last Action: 05-22-23 G Sent to the Governor

[HB 4456](#) [Harris, Cody\(R\)](#) Relating to the calculation of the no-new-revenue maintenance and operations rate for school districts.

Amends Sections 5.07, 26.012, 26.05, Tax Code. Defines "no-new-revenue maintenance and operations rate" for a school district as the district's "rate to maintain."

For a school district, a vote on the resolution or order setting a tax rate in excess of the rate to maintain must be a record vote and at least 60% of the members of the governing body must vote in favor of the ordinance or resolution.

Proposed effective: 1-1-24.

Last Action: 05-25-23 S Passed on local calendar (Vote: Y: 29/N: 2)

[SB 1340](#) [Zaffirini, Judith\(D\)](#) [Meyer, Morgan\(R\)](#) Relating to the local development agreement database maintained by the comptroller of public accounts.

Amends Section 403.0246, Government Code and adds 312.008, Tax Code.

Section 312 of the Property Tax Code deals with tax abatement agreements for taxing units. This bill requires taxing units to update the state comptroller's online database for details on the tax abatement agreements including the total monetary value of the agreement, type of tax implicated by the agreement including ad valorem tax like the reporting process required by the economic development agreements for cities and counties. The Property Tax Code already requires taxing units to report the details of these agreements to the state comptroller; however the bill adds section to the Tax Code requiring taxing units to make available on their websites a link to the details of those agreements to be made available on the comptroller's publicly available, online searchable database (similar to the requirements made for truth in taxation reporting).

Proposed effective 1-1-24.

Last Action: 05-19-23 G Sent to the Governor

[SB 1916](#) [Parker, Tan \(F\)\(R\)](#) Relating to publication of public improvement district service plans and assessments on certain public Internet websites.

Amends Sections 372.013, 372.016, 372.017, Local Government Code and 26.17, Tax Code.

Requires the governing body of a municipality that levies an assessment in a public improvement district to submit the assessment roll to the applicable appraisal district within seven days of levying the assessment and post a copy of the service plan on the municipality's website where other tax rate and budget information is located within the same time frame.

Requires public improvement districts assessments to be included on each appraisal districts 26.17 tax rate database website.

Proposed effective: 1-1-24.

Last Action: 05-24-23 H Passed on local calendar (Vote: Y:138/N: 0)

[SB 1998](#) [Bettencourt, Paul\(R\)](#) Relating to the calculation of certain ad valorem tax rates.

Amends Section 5.07(g), Tax Code.

Requires the Comptroller to include within the Truth in Taxation Worksheets the ability to set a hyperlink into the worksheet document that will attest to the accuracy of each of the numbers entered into the worksheet that are not just a mathematical calculation.

Amends Section 26.04(d-1), Tax Code.

Requires the designated officer or employee to include the hyperlinks for each entry on the form that are not just a mathematical calculation.

Amends Section 26.03, Tax Code.

Requires specific tax rate calculations for individual investment zones rather than collective adjustments.

Proposed effective 1-1-24.

Last Action: 05-24-23 H Passed on local calendar (Vote: Y:138/N: 0)

[SB 1999](#) [Bettencourt, Paul\(R\)](#) Relating to the calculation of the unused increment rate of a taxing unit.

Amends Section 26.013, Tax Code.

Changes the definition and calculation of the unused increment rate.

Proposed effective 1-1-24.

Last Action: 05-24-23 H Passed on local calendar (Vote: Y:138/N: 0)

[SB 2350](#) [Bettencourt, Paul\(R\)](#) Relating to the voter-approval tax rate used to calculate the unused increment rate of a taxing unit for ad valorem tax purposes.

Amends Section 26.013, Tax Code.

Redefines, for purposes of calculating the unused increment rate, "Voter-approval tax rate" to mean the taxing unit's voter-approval tax rate in the applicable preceding tax year, as adopted by the taxing unit during the applicable preceding tax year, less the unused increment rate for the preceding year.

Proposed effective 1-1-23.

Last Action: 05-24-23 H Passed on local calendar (Vote: Y:138/N: 0)

LOCAL GOVERNMENT ADMINISTRATION

[HB 784](#) [Ordaz, Claudia \(F\)\(D\)](#) Relating to the delegation of certain authority of a county judge or commissioners court in certain counties.

Companions: [HB 2272](#) Ordaz Perez, Claudia (F)(D) (Refiled from 87R Session) [SB 1069](#) Blanco, Cesar (F)(D) (Refiled from 87R Session)

Amends Section 81.029, Local Government Code.

Allows County Judges to file an order with the commissioner's court delegating the ability to sign orders or other official documents associated with the county judge's office to non-elected officials (chief administrators, officers, or employees).

Allows the commissioners court to file an order within the court for delegation of managerial authority to a county chief administrator.

Current section only applies to counties that have a population of more than 800,000 and are located on the international border (El Paso County).

See SB 1069.

Proposed effective: 9-1-23.

Last Action: 05-25-23 H Set on the House Items Eligible Calendar

[HB 1132](#) [Spiller, David\(R\)](#) Relating to the amount of an expenditure made by certain political subdivisions for which competitive bidding is required.

Amends Sections 262.003(a) and 252.021(a), Local Government Code, and Section 44.031(a), Education Code.

Requires counties, cities, and school districts to comply with the respective Code competitive bidding requirements for purchases under a contract exceeding \$100,000 (Code currently requires \$50,000).

Proposed effective: 9-1-23.

Last Action: 05-21-23 S Committee action pending Senate Local Government

[HB 1382](#) [Hernandez, Ana\(D\)](#) Relating to the public sale of real property taken in execution of a judgment.

Companions: [SB 2067](#) Bettencourt, Paul(R) (Identical) 3-21-23 S Introduced and referred to committee on Senate Local Government

House Committee Substitute amends Section 34.041, Civil Practice and Remedies Code.

Authorizes, by commissioner court official action, the use of online auctions for the public sale of real property. This amendment is consistent with the Tax Code Section 34.01(a-1) previously passed by the Legislature.

Does not apply to the sale of real property under a contract lien (such as a deed of trust, mortgage or other contract lien) conducted under Section 51.002 of the Property Code.

Proposed effective: 9-1-23.

Last Action: 05-18-23 G Sent to the Governor

[HB 1689](#) [Murr, Andrew\(R\)](#) Relating to the use of county hotel occupancy tax revenue for an electronic tax administration system and the reimbursement of tax collection expenses.

Adds Section 352.016 and amends Section 352.005, Tax Code.

Bill passed by the House allows a county and its tax collector to withhold not more than one (1) percent of the amount of the hotel occupancy tax collected as reimbursement for the creation, maintenance, operation, and administration of an electronic hotel occupancy tax administration system. The county may spend not more than the lesser of two (2) percent or \$75,000 of the hotel occupancy tax derived and cannot use the revenue to conduct an audit. The amendment allows a county to contract with a third party to assist in the creation and maintenance of the electronic tax administration system.

Proposed effective: Immediately on two-thirds vote of each house, otherwise 9-1-23.

Last Action: 05-22-23 G Sent to the Governor

[HB 4082](#) [Goldman, Craig\(R\)](#) Relating to purposes for which certificates of obligation or tax anticipation notes may be authorized.

Adds 271.043 (7-a), Local Government Code and 1431.001(6) Government Code.

House committee substitute adds a definition for "public work" to the respective Code chapters related to issuing local government bonds for the construction of any public work where it was previously undefined. The proposed definition includes a broad list of specific public improvements for issuance of bonds including the rehabilitation, expansion, reconstruction, or maintenance of an existing sports facilities created to act on behalf of a municipality or county.

The bill prohibits issuance of bonds to build new facilities which more than 50 percent of the average annual usage is intended for professional or semi-professional sports, a new stadium facility intended to be leased by a single for-profit tenant for more than 180 days in a single calendar year or a hotel.

Proposed effective: 9-1-23.

Last Action: 05-24-23 S Passed (Vote: Y: 20/N: 11)

[SB 1340](#) [Zaffirini, Judith\(D\)](#) Relating to the local development agreement database maintained by the comptroller of public accounts.

Amends Section 403.0246, Government Code and adds 312.008, Tax Code.

Section 312 of the Property Tax Code deals with tax abatement agreements for taxing units. This bill requires taxing units to update the state comptroller's online database for details on the tax abatement agreements including the total monetary value of the agreement, type of tax implicated by the agreement including ad valorem tax like the reporting process required by the economic development agreements for cities and counties. The Property Tax Code already requires taxing units to report the details of these agreements to the state comptroller; however the bill adds section to the Tax Code requiring taxing units to make available on their websites a link to the details of those agreements to be made available on the comptroller's publicly available, online searchable database (similar to the requirements made for truth in taxation reporting).

Proposed effective 1-1-24.

Last Action: 05-19-23 G Sent to the Governor

[SB 1568](#) [Campbell, Donna\(R\)](#) Relating to the persons authorized or appointed to exercise the power of sale under the terms of a contract lien on real property.

Companions: [HB 2565](#) Shaheen, Matt(R) (Identical) 3-13-23 H Introduced and referred to committee on House Business and Industry

Amends Sections 51.0001(7) and (8), Property Code.

Expands the definitions of substitute trustee and trustee in the Property Code provisions generally applicable to liens from a person to individuals, corporations, organizations, government or governmental subdivision or agency, business trust, estate, trust, partnership, association, or other legal entity.

Proposed effective: Immediately on two-thirds vote of each house, otherwise 9-1-23.

Last Action: 05-24-23 H Passed on local calendar (Vote: Y:138/N: 0)

OPEN MEETINGS/OPEN RECORDS

[HB 96 Gonzalez, Mary\(D\)](#) Relating to the confidentiality of certain home address information in ad valorem tax appraisal records.

Companions: [SB 617](#) Blanco, Cesar(D) (Identical) 5- 9-23 G Sent to the Governor

Amends Section 25.025(a), Tax Code.

Adds customs and border protection officers and patrol agents to the list of property owners who may make their home address confidential in public appraisal records.

Proposed effective: Immediately on two-thirds vote of each house, otherwise 9-1-23

Last Action: 05-15-23 S Referred to Senate Committee on Senate Border Security

[HB 613 Vasut, Cody\(R\)](#) Relating to charges imposed by a governmental body for providing copies of public information under the public information law.

Companions: [HB 2789](#) Vasut, Cody (F)(R) (Refiled from 87R Session)

Adds Section 552.261(f), Government Code.

Prohibits a charge for providing a copy of political reports which are required to be filed by candidates and officeholders under Subchapters C and D, Chapter 254, Election Code, unless the reports during the preceding three years are publicly available on the entity's website.

Amends Section 552.269, Government Code.

Allows attorney general to cancel or reduce a charge imposed by a governmental body if the attorney general determines that the governmental body has not maintained the requested information in accordance with standard recordkeeping practices or failed to comply with the Act with regard to request.

Proposed effective: 9-1-23.

Last Action: 5- 5-23 S Referred to Senate Committee on Senate Business and Commerce

[HB 796 Button, Angie Chen\(R\)](#) Relating to the creation and maintenance by an appraisal district of a publicly available Internet database of information regarding protest hearings conducted by the appraisal review board established for the district.

Companions: [HB 3890](#) Button, Angie Chen(R) (Refiled from 87R Session)

Current through Engrossed version.

Amends Section 26.17(c), Tax Code.

Requires appraisal district website to include link to the Internet database required under Section 41.13, as added by this bill.

Adds Section 41.13, Tax Code.

Requires a chief appraiser to create and maintain a publicly available and searchable Internet database with information on protest hearings conducted by the appraisal review board (ARB), including attendees, date and time of the hearing, the account number and category for the property, the appraised value according to the appraisal district and the property owner's asserted value, and the ARB's determination. Requires chief appraiser to update the database not later than October 1 of each year. Requires chief appraiser to update the database beginning January 1, 2025, to include the most recent tax year and each subsequent year until the database includes the most recent five tax years. Requires, beginning January 1, 2030, for the database to include the information for the previous five tax years.

Proposed effective: 9-1-23.

Last Action: 05-16-23 G Sent to the Governor

[HB 1765](#) [Burns, DeWayne\(R\)](#) Relating to the redaction of certain information from a document posted on the Internet by a county clerk or district clerk on request of a person to whom the information relates.

Amends Section 552.117(b) and adds subsection (b-1), Government Code. Amends Section 552.1175(e) and adds subsection (e-1), Government Code.

If a county clerk or district clerk has the ability to electronically redact information, then they will be required to redact confidential addresses, telephone numbers, social security numbers, and personal family information of eligible individuals under Section 552.117(a) from a document that is posted by the clerk on an Internet website, if the information relates to the individual requesting the redaction. The clerk must redact this information upon request by the Office of Court Administration of the Texas Judicial System. The clerk must also include on its website a statement advising the public that one or more documents on the website have been redacted as required by state law.

Proposed effective: Immediately on two-thirds vote of each house, otherwise, 9-1-23

Last Action: 5- 5-23 S Referred to Senate Committee on Senate Business and Commerce

[HB 1911](#) [Burrows, Dustin\(R\)](#) Relating to the confidentiality of home address information in ad valorem tax appraisal records of a current or former employee or contract staff member of a university health care provider at certain correctional facilities.

Amends Section 25.025(a), Tax Code.

Adds (1) current or former employees or contract staff members of a university health care provider at a corrections facility operated by the TDCJ or TJJD; and (2) current or former attorneys for the Department of Family and Protective Services to the list of eligible individuals whose home address can be made confidential in ad valorem tax appraisal records.

Proposed effective: Immediately on two-thirds vote of each house, otherwise, 9-1-23.

Last Action: 05-24-23 G Sent to the Governor

[HB 3327](#) [Wu, Gene\(D\)](#) Relating to the confidentiality of certain home address information in property tax appraisal records.

Companions: [SB 1532](#) Miles, Borris(D) (Identical) 3-16-23 S Introduced and referred to committee on Senate Business and Commerce

Amends Section 25.025(a), Tax Code.

Adds an employee of a public defender's office (as defined in Article 26.044(a), Code of Criminal Procedure) to the list of individuals who may make their home address information confidential in property tax appraisal records.

Proposed effective: Immediately on two-thirds vote of each house, otherwise, 9-1-23.

Last Action: 05-15-23 S Referred to Senate Committee on Senate Business and Commerce

[SB 617](#) [Blanco, Cesar\(D\)](#) Relating to the confidentiality of certain home address information in ad valorem tax appraisal records.

Companions: [HB 96](#) Gonzalez, Mary(D) (Identical) 4-17-23 S Received in the Senate

Amends Section 25.025(a), Tax Code.

Adds customs and border protection officers and patrol agents and their spouse, surviving spouse, or adult children to the list of property owners who may make their home address confidential in public appraisal records.

Last Action: 05-19-23 G Signed by the Governor 05-19-23 G Earliest effective date

[SB 943](#) [Kolkhorst, Lois\(R\)](#) Relating to the publication of notices by a governmental entity on the Internet websites of a newspaper and Texas Press Association.

Companions: [HB 2178](#) Hunter, Todd(R) (Identical) 4-19-23 H Committee action pending House State Affairs

Adds Section 2051.054, Government Code.

Would require a newspaper that is publishing a notice on behalf of a governmental entity to also publish the notice, at no additional cost, on its website in a place that is clearly designated for notices and is accessible to the public at no cost. If the Texas Press Association maintains a website as a statewide repository of notices, then the newspaper must also deliver the notice to the Texas Press Association to be published on the Association's website. The Association's website must be accessible to the public at no cost, be updated as notices are received, and be searchable/sortable by subject matter and location. The Association's website must also offer subscriptions to email notifications that can be filtered by subject matter and location. The validity of a notice published in a newspaper is not affected by an error or technical issue that may occur on the Internet notice.

Proposed effective: 9-1-23.

Last Action: 05-16-23 G Sent to the Governor

[SB 1525](#) [Blanco, Cesar\(D\)](#) Relating to the confidentiality of certain home address information in property tax appraisal records.

Amends Section 25.025(a), Tax Code.

Adds a current or former attorney for the Department of Family and Protective Services to the list of individuals who may make their home address information confidential on property tax appraisal records.

Proposed effective: Immediately on two-thirds vote of each house, otherwise, 9-1-23.

Last Action: 05-24-23 H Passed on local calendar (Vote: Y:138/N: 0)

PROPERTY VALUE STUDY

[HB 100](#) [King, Ken\(R\)](#) Relating to the compensation of public school educators and to the public school finance system, including enrollment-based funding for certain allotments under the Foundation School Program.

Voted out of the House with numerous amendments on April 27th. If approved by the Senate, in its current form, this bill will change the Property Value Study (PVS) and Audits.

Among many other things, we believe HB 100 would continue the Comptroller's PVS, but it would change the determination of the District Property Value (DPV) used in state funding formulas. Doing so would eliminate the use of the Comptroller's assignment of a state value as a PVS finding. Instead, the Texas Education Agency (TEA) Commissioner would determine the DPV for school districts by recognizing local values with deductions allowed under Government Code Section 403.302(d).

Additionally, the bill appears to effectively eliminate the ability of school districts to correct and/or audit the values reported under the Government Code. Without reference to Government Code Section 403.302(h) the bill does not clearly direct the TEA to accept changes to the DPV. As a result, school districts may no longer be able to recover funding through corrections or taxable value audits of the DPV, which ameliorate the impacts of property tax litigation or reporting errors.

A separate portion of the bill removed passing the Comptroller's MAP review as an impediment for grace period eligibility on the PVS.

The proposed legislation also alters the way the Tier One tax rate compression ceiling is calculated, basing future reduction of that ceiling on local property values.

Finally, it would also provide PVS Hardship Grants in the 2023-24 and 2024-25 school years for school districts that failed the PVS in the prior school year. This could impact school districts who had state values assigned on the PVS in the 2022-23 school year. However, there appears to be a cap at \$175 million.

Proposed effective: 9-1-24.

Last Action: 05-23-23 S Passed (Vote: Y: 18/N: 13)

[HB 3127](#) [Ashby, Trent\(R\)](#) Relating to the study of school district property values conducted by the comptroller of public accounts.

Amends Sections 403.3011(2) and 403.303(a), Government Code.

Removes the requirement for the CAD to have passed the most recent MAP review to be entitled to the "Grace Period." Begins with the 2024 Property Value Study.

Extends the deadline to file PVS appeals from 40 days to 50 days after the Study is released. Begins with the 2023 Property Value Study.

Proposed effective: 9-1-23.

Last Action: 05-21-23 S Committee action pending Senate Local Government

MISCELLANEOUS

[HB 219](#) [Noble, Candy\(R\)](#) Relating to the release of a deed of trust or other contract lien securing a home loan after payoff by mortgagor.

Adds Section 342.108, Finance Code.

Requires a mortgage servicer or mortgagee to deliver a release of lien to the mortgagor within 60 days of receiving pay-off or file the release of lien with the appropriate county clerk's office for recording in the real property records. Requires the mortgage servicer or mortgagee provide the release of lien or file the release of lien with the appropriate county clerk's office within 30 days of receipt of a written request by mortgagor within 20 days of the pay-off.

Proposed effective: 9-1-24.

Last Action: 05-19-23 G Sent to the Governor

[HB 1613](#) [Shine, Hugh\(R\)](#) Relating to the provision of state aid to certain local governments to offset the cost of the exemption from ad valorem taxation of the residence homestead of a 100 percent or totally disabled veteran.

Companions: [SB 748](#) Flores, Pete(R) (Identical)3- 1-23 S Introduced and referred to committee on Senate Finance

Amends Section 140.011, Local Government Code.

Limits revenue used to calculate a disabled veteran assistance payment to only "ad valorem tax revenue," that is, ad valorem taxes imposed by a local government for the tax year in which the local government's fiscal year begins. Existing law is based on all "general fund" revenue.

Expands the definition of "Local Government" to include all municipalities and counties, rather than those adjacent to or containing a United States military installation.

Lowers the standard for a local government to qualify for a disabled veteran assistance payment if the amount of lost ad valorem tax is greater than one percent of its ad valorem tax revenue from the existing two percent.

Revises the disabled veteran assistance payment to the amount calculated by subtracting one percent of the local government's ad valorem tax revenue, rather than general fund revenue, from the local government's lost ad valorem tax revenue resulting from the disabled veterans exemptions under Section 11.131, Tax Code.

Clarifies and codifies that the disabled veteran's local government assistance account is administered by the comptroller; consists of money deposited to the account under Section 151.801, Tax Code, and other money deposited at the direction of the legislature; and may be used only for the purpose of making payments to qualified local governments entitled under this section.

Provides that disabled veteran assistance payments are subject to the comptroller's determination as to whether the balance of the account is sufficient to pay the full calculated payment amount to qualified local governments, and such payments shall be proportionately reduced as necessary to prevent the account from becoming insolvent.

Provides that the change in law made by this act will apply beginning with the fiscal year of the local government that ends in the 2023 tax year.

Amends Section 151.801, Tax Code.

Requires the comptroller to establish a trust fund outside the state treasury consisting of money deposited to the credit of the fund under Section 151.801, Tax Code and other money deposited at the direction of the legislature.

Requires the comptroller to determine than amount of the proceeds from the collection of the taxes imposed by this chapter and deposit that amount to the credit of the disabled veteran local government assistance trust fund established under Section 140.011, Local Government Code.

Proposed effective: 9-1-23.

Last Action: 05-25-23 H Set on the House Items Eligible Calendar

[HB 1817](#) [Capriglione, Giovanni\(R\)](#) Relating to the validity of a contract for which a disclosure of interested parties is required.

Amends Section 2252.908, Government Code.

Provides that a contract under the section entered into by a governmental entity or state agency is voidable for failure to provide the disclosure of interested parties required by this section only if the governmental entity or state agency provides written notice that the business entity's failure to provide the required notice and the business entity fails to submit the required disclosure on or before the 10th business day after the day the business entity receives the notice.

Proposed effective: 9-1-23.

Last Action: 05-24-23 G Sent to the Governor

[HB 2249](#) [Metcalf, Will\(R\)](#) Relating to the selection and administration of an appraisal review board in certain counties.

Companions: [HB 3322](#) Metcalf, Will(R) (Refiled from 87R Session) [SB 1099](#) Creighton, Brandon(R) (Refiled from 87R Session) [SB 882](#) Creighton, Brandon(R) (Identical) 3- 1-23 S Introduced and referred to committee on Senate Local Government

Adds Section 6.4101, Tax Code.

Provides for the election of appraisal review board members in a county with a population of more than 400,000 and that is adjacent to a county with a population of more than 3.3 million and no other counties with a population of more than 300,000. Establishes a board of three members elected by the voters of the county at the general election. Establishes two-year terms beginning January 1 of odd-numbered years. Requires individual be a resident of the county for at least two years before the date of the election to be eligible to serve on board. Provides that the appraisal district board of directors fills vacancies by appointment. Establishes grounds for removal.

Adds Section 6.4102, Tax Code.

Requires an application for a place on the ballot to be filed with the county judge of the county for which the appraisal district is established and be accompanied by a filing fee of \$250.

Amends Sections 6.052, 6.411, 6.412, and 5.413, Tax Code.

Makes changes recognizing elected as well as appointed board members.

Adds Section 6.414(h), Tax Code.

Provides that a majority of the appraisal review board members of a board elected under Section 6.4101 to provide for auxiliary board members appropriate to hear protests. Provides that the board prepares a list of qualified auxiliary board members to submit to the commissioner's court of the county, who will appoint the auxiliary board members.

Proposed effective: 1-1-25, except Section 6.4102 which takes effect 1-1-24. Elections for appraisal review board members created by this act to take place beginning with the general election conducted in 2024.

Last Action: 4-18-23 S Referred to Senate Committee on Senate Local Government

[HB 2285](#) [Noble, Candy\(R\)](#) Relating to the authority of certain independent school districts to change the terms for members of the districts' board of trustees.

Adds Section 11.059(e)-(g), Education Code.

Allows a board of trustees of an independent school district to adopt a resolution changing the length of the terms of its trustees. The resolution must be adopted not later than December 31, 2023 and provide for staggered terms of either three or four years and specify the manner in which the transition from the length of the former term to the

modified term is made. The transition must begin with the first regular election for trustees that occurs after the resolution is adopted, and a trustee who serves on the date the resolution is adopted must serve the remainder of that term. Such a resolution may only be adopted by a board of trustees with a central administrative office located in a county with a population of more than 1 million but less than 1.25 million and in which a municipality with a population of 4,500 or less is located. These added Subsections expire January 1, 2029.

Proposed effective immediately if it receives a vote of two-thirds of all the members elected to each house, otherwise on 9-1-23.

Last Action: 05-24-23 S Passed (Vote: Y: 30/N: 1)

[SB 1621](#) [Kolkhorst, Lois\(R\)](#) Relating to requiring state contractors, political subdivisions of this state, and private employers to participate in the federal electronic verification of employment authorization program, or E-verify.

Companions: [HB 3846](#) Toth, Steve(R) (Identical) 3-20-23 H Introduced and referred to committee on House State Affairs

Amends Chapter 2264, Government Code, various sections.

Requires a contractor or subcontractor for any state agency to register with and participate in an E-verify Program to enter into a contract and during the term of the contract. The contractor or subcontractor must verify that they are not ineligible to receive the contract under Subchapter C, Chapter 2264. If a state agency determines that a contractor is not participating in the E-verify program, was awarded a contract in violation of Section 2264.102, or hired a subcontractor that is not registered or participating in the E-very program, they shall report it to the comptroller who shall bar the contractor from participating in state contracts for a period of one year. It is a defense to disbarment that the contractor did not know that the subcontractor was in non-compliance.

Adds Chapter 53, Labor Code.

Prohibits an employer for classifying an employee as an independent contractor for the sole purpose of avoiding the requirements of registering and participating in the E-verify program to verify information of all new employees.

Adds Chapter 181, the Local Gov't Code.

Requires political subdivisions to participate in the E-verify program to verify information of all new employees.

Proposed effective date: 9-1-23.

Last Action: 5-19-23 S Placed on Senate Intent Calendar