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**SENATE COMMITTEE ON LOCAL GOVERNMENT**

**TEXAS SENATE  
INTERIM REPORT**

**A REPORT TO THE  
TEXAS SENATE  
88TH LEGISLATURE**

**PAUL BETTENCOURT  
CHAIRMAN**



**Senate Committee on Local Government**

The Honorable Dan Patrick  
Lieutenant Governor of the State of Texas  
Texas State Capitol  
Austin, Texas 78701

Dear Governor Patrick:

The Texas Senate Committee on Local Government hereby submits its interim report for consideration by the 88th Texas Legislature. We thank you for providing us the opportunity to address the issues outlined in the charges issued by you to the Committee and to present recommendations that will benefit the State of Texas and its citizens.

Respectfully submitted,

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Senator Paul Bettencourt, Chairman

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Senator Jose Menendez, Vice-Chairman

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Senator Sarah Eckhardt

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Senator Roland Gutierrez

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Senator Bob Hall

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Senator Robert Nichols

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Senator Angela Paxton

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Senator Drew Springer

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Senator Judith Zaffirini



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## **SENATE COMMITTEE ON LOCAL GOVERNMENT**

### **MEMBERSHIP**

Senator Paul Bettencourt, Chair  
Senator Jose Menendez, Vice-Chair  
Senator Sarah Eckhardt  
Senator Roland Gutierrez  
Senator Bob Hall  
Senator Robert Nichols  
Senator Angela Paxton  
Senator Drew Springer  
Senator Judith Zaffirini

### **Staff**

David Clark, Committee Director  
Ross Leake, Deputy Committee Director

### **Special Acknowledgements**

The Senate Committee on Local Government would like to thank the Texas Lieutenant Governor, the Honorable Dan Patrick, for his leadership. In partnership with Lieutenant Governor Patrick, Chairman Bettencourt is honored to preside over the Committee and apply his experience and knowledge in administrating and leading local government to better the lives of all Texans.

The Committee would also like to extend a special thank you to the state agencies, staff, and stakeholders, whose work and input contributed greatly to the final product of this report. We hope this report will help guide the 88th Legislature in shaping reforms to the ways in which Texans govern themselves locally.

## Interim Charges

**Charge 1:** Property Tax Reform: Review the effect of Senate Bill 2 (86th Legislature), the Texas Property Tax Reform and Transparency Act of 2019, and related legislation passed by the 87th Legislature. Make recommendations for further property tax reform and relief.

**Charge 2:** Appraisal Reform: Review the implementation of Senate Bill 63, House Bill 988, and other related legislation passed by the 87th Legislature. Make recommendations to ensure appraisal guidelines are effective and taxpayers have enforcement mechanisms.

**Charge 3:** Special Purpose Districts: Perform a comprehensive study on the powers and purposes of various special purpose districts and their associated legislative templates. Make recommendations to improve public transparency in operations of special purpose districts and associated legislative templates.

**Charge 4:** Affordable Housing: Study issues related to affordable housing, homelessness, and methods of providing and financing affordable housing. Make recommendations to improve transparency and accountability, as well as to better utilize existing federal, state, and local programs.

**Charge 5:** Bond Elections: Review and report on voter participation and bond election result differences between November and May elections. Make recommendations for improved voter turnout, increased election efficiencies, and better accountability of local debt.

**Charge 6:** Taxpayer Funded Lobbying: Study how governmental entities use public funds for political lobbying purposes. Examine what types of governmental entities use public funds for lobbying purposes and what level of transparency is available to the public. Make recommendations to protect taxpayers from paying for lobbyists who may not represent the taxpayers' interests.

**Charge 7:** Efficiency Audits: Study the concept of efficiency audits for cities, counties and special purpose districts and under what circumstances they should be performed. Evaluate whether efficiency audits provide Texans tools to combat wasteful government spending and report whether they are needed before local government tax ratification elections.

**Charge 8:** Extraterritorial Jurisdictions: Study issues related to municipal extraterritorial jurisdictions and annexation powers, including examining possible disannexation authority. Determine whether extraterritorial jurisdictions continue to provide value to their residents and make recommendations on equitable methods for disannexation.

**Charge 9:** Ballot Language: Study the development of the language used for constitutional amendment and local ballot propositions. Recommend changes to make ballot propositions more easily understood by voters

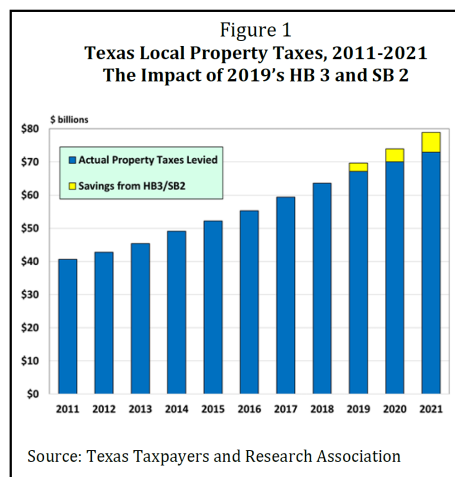
## FOREWORD

In 2015, Lieutenant Governor Dan Patrick formed the Senate Select Committee on Property Tax Reform and Relief. The Committee took over 50 hours of testimony during eight hearings in seven cities, hearing from over 320 witnesses. Paramount in the Committee's findings was that city and county property taxes in Texas had increased between 2.5 and 3 times faster than median household income between 2005 and 2015. The conclusion from these hearings and the Committee's work was clear - steps to reduce property tax rates and protect taxpayers had to be taken.

In 2019, property taxpayers achieved significant victories with the passage of Senate Bill 2, which passed with the bipartisan support of both legislative chambers, and was the first successful effort to reduce the rollback rate in 38 years. Senate Bill 2 reduced the Voter-Approval (formerly Rollback) Tax Rate from 8% to 3.5% for most counties and municipalities. SB 2 also provided taxpayers with greater input on the tax rates levied on their properties by eliminating the petition requirement to trigger voter approval tax rate elections and by making the elections automatic if a taxing unit seeks to adopt a tax rate above the voter approval rate. In the same legislative session, the Legislature passed House Bill 3 to address rising independent school district (ISD) tax rates.

Following the 86th Legislative Session, in March of 2020, the world began experiencing the worst global pandemic in a century - the effects of which are still very much being felt in many parts of the economy today, nearing 2023. The pandemic created new and unanticipated challenges to fully implementing Senate Bill 2. Provisions of the law intended to provide taxing units with tools to weather events that cause mass property damage were utilized by some taxing units as a means of undermining the reforms made in Senate Bill 2. This disaster loophole was closed in the 2021 Legislative Session with the passage of Senate Bill 1438.

The passage of Senate Bill 2 and House Bill 3 marked significant victories for taxpayers in controlling the growth of property tax bills and compressing property tax rates. In their April 2022 report, 'Relief from Rising Values,' The Texas Taxpayers and Research Association (TTARA) estimates the combined effects of the two bills have saved taxpayers \$6 billion in 2021.



Continuing to build on its significant victories from the 86th Legislative Session, the 87th Legislature remained committed to delivering meaningful property tax relief. The Legislature passed Senate Bill 8 in

the second called special session, which provides homestead exemptions to first time homebuyers on the date they purchase the home. In the third and final called special session, the Legislature passed constitutional amendments to increase the residence homestead exemption from \$25,000 to \$40,000 and to provide property tax compression to over-65 and disabled homestead properties.

These combined efforts have had monumental effects on homestead property tax bills in 2022, a year of record statewide appraisal value growth (est. 17%). In many of the state's fastest growing regions, property value growth in appraisal rolls has led to tax rate compression that nets out to no increase in the average homestead tax bill; in Travis County the average homestead tax bill for a property that was on the appraisal roll last year decreased! Below are calculations from the Committee demonstrating the combined effects of these legislative efforts on tax rates in Texas' most populous counties and on average homestead property tax bills in the state's most populous counties.



## Harris County Average Homestead Tax Bill Example

	2021 Average Homestead Taxable Value	2021 Adopted Property Tax Rate	Estimated 2021 Property Tax Bill
Harris County	\$183,228	0.376930	\$690.64
Harris County Flood Control Port of Houston Authority	\$183,228	0.033490	\$61.36
Harris County Hospital District	\$183,228	0.008720	\$15.98
City of Houston	\$215,149	0.162210	\$297.21
Houston ISD	\$274,914	0.550830	\$1,185.11
Houston Community College	\$265,548	1.094400	\$3,008.66
<b>Total</b>		<b>2.325672</b>	<b>\$5,522.10</b>

Note: Calculations do not include an estimate of homestead tax savings from Senate Bill 8 (Bettencourt, et al.), 87(2). Senate District 7 Office estimates the tax savings attributable to SB 8 exceed \$20 per average Harris County homestead. These savings are anticipated on later tax roll revisions as first-time partial homestead exemptions are updated to the Harris County tax roll.

### Senate Bill 8 Homestead Tax Savings Estimate

Homestead Exemption Amount	\$40,000
HISD Tax Rate	1.037200
Annual savings estimate	\$414.88
Minimum monthly savings estimate	\$34.57
Difference: 2022 Homestead Tax Bill vs. 2021 Homestead Tax Bill	-\$51.16
SB 8 monthly savings estimate:	\$34.57
<b>Net difference, including SB 8 savings</b>	<b>-\$85.73</b>

## Dallas County Average Homestead Tax Bill Example

	2022 Average Single Family Residence Taxable Value	2022 Adopted Property Tax Rate	Estimated 2022 Property Tax Bill	% Change from 2021 Property Tax Bill
Dallas ISD	\$285,904	1.184935	\$3,387.78	0.0555
Dallas County	\$263,112	0.217946	\$573.44	0.0832
Parkland Hospital	\$269,852	0.235800	\$636.31	0.0744
Dallas College	\$268,485	0.115899	\$311.17	0.0910
City of Dallas	\$284,785	0.745800	\$2,123.93	0.1201
<b>Total</b>		<b>2.500380</b>	<b>\$7,032.63</b>	<b>0.0798</b>

	2021 Average Single Family Residence Taxable Value	2021 Adopted Property Tax Rate	Estimated 2021 Property Tax Bill
Dallas ISD	\$251,748	1.274935	\$3,209.62
Dallas County	\$232,255	0.227946	\$529.42
Parkland Hospital	\$232,255	0.255000	\$592.25
Dallas College	\$230,928	0.123510	\$285.22
City of Dallas	\$245,205	0.773300	\$1,896.17
<b>Total</b>		<b>2.654691</b>	<b>\$6,512.68</b>

Note: Dallas CAD unable to provide homestead data pursuant to a ransomware cyber attack. Dallas County model includes all single family residences, including rental properties and non-homestead properties which are not limited to an annual 10% increase in taxable value.

Note: Calculations do not include an estimate of homestead tax savings from Senate Bill 8 (Bettencourt, et al.), 87(2). Senate District 7 Office estimates the tax savings attributable to SB 8 exceed \$20 per average Travis County homestead. These savings are anticipated on later tax roll revisions as first-time partial homestead exemptions are updated to the Travis County tax roll.

### Senate Bill 8 Homestead Tax Savings Estimate

Homestead Exemption Amount	\$40,000
AISD Tax Rate	1.184935
Annual savings estimate	\$473.97
Minimum monthly savings estimate	\$39.50

Difference: 2022  
Homestead Tax Bill  
vs. 2021

Homestead Tax Bill	\$519.95
SB 8 monthly savings estimate:	\$39.50

**Net difference,  
including SB 8  
savings**

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**\$480.45**

## Tarrant County Average Homestead Tax Bill Example

	2022 Average Homestead Taxable Value	2022 Adopted Property Tax Rate	Estimated 2022 Property Tax Bill	% Change from 2021 Property Tax Bill
Tarrant County	\$278,020	0.224000	\$622.76	0.0780
Tarrant County Hospital District	\$278,020	0.224429	\$623.96	0.2036
Tarrant County College	\$278,121	0.130170	\$362.03	0.1020
City of Ft. Worth	\$190,186	0.712500	\$1,355.08	0.0732
Ft. Worth ISD	\$196,281	1.281600	\$2,515.54	(0.0178)
<b>Total</b>		<b>2.572699</b>	<b>\$5,479.36</b>	<b>0.0440</b>

	2021 Average Homestead Taxable Value	2021 Adopted Property Tax Rate	Estimated 2021 Property Tax Bill
Tarrant County	\$252,274	0.229000	\$577.71
Tarrant County Hospital District	\$252,274	0.205492	\$518.40
Tarrant County College	\$252,387	0.130170	\$328.53
City of Ft. Worth	\$172,369	0.732500	\$1,262.60
Ft. Worth ISD	\$190,682	1.343200	\$2,561.24
<b>Total</b>		<b>2.640362</b>	<b>\$5,248.49</b>

Note: Calculations do not include an estimate of homestead tax savings from Senate Bill 8 (Bettencourt, et al.), 87(2). Senate District 7 Office estimates the tax savings attributable to SB 8 exceed \$20 per average Tarrant County homestead. These savings are anticipated on later tax roll revisions as first-time partial homestead exemptions are updated to the Tarrant County tax roll.

### Senate Bill 8 Homestead Tax Savings Estimate

Homestead Exemption Amount	\$40,000
FWISD Tax Rate	1.281600
Annual savings estimate	\$512.64
Minimum monthly savings estimate	\$42.72
Difference: 2022 Homestead Tax Bill vs. 2021 Homestead Tax Bill	\$230.88
SB 8 monthly savings estimate:	\$42.72
<b>Net difference, including SB 8 savings</b>	<b>\$188.16</b>

## Travis County Average Homestead Tax Bill Example

	2021 Average Homestead Taxable Value	2021 Adopted Property Tax Rate	Estimated 2021 Property Tax Bill		
Travis County	\$381,431	0.357365	\$1,363.10		
Travis County Healthcare District	\$381,431	0.111814	\$426.49		
City of Austin	\$384,544	0.541000	\$2,080.38		
Austin ISD	\$468,590	1.061700	\$4,975.02		
Austin Community College	\$460,717	0.104800	\$482.83		
<b>Total</b>		<b>2.176679</b>	<b>\$9,327.83</b>		
	2022 Average Homestead Taxable Value - 10% Homestead Limitation	2022 Adopted Property Tax Rate	Estimated 2022 Property Tax Bill - 10% Homestead Limitation	% Change from 2021 Property Tax Bill - 10% Homestead Limitation	
Travis County	\$419,574	0.318239	\$1,335.25	(0.0204)	
Travis County Healthcare District	\$419,574	0.098684	\$414.05	(0.0292)	
City of Austin	\$422,998	0.462700	\$1,957.21	(0.0592)	
Austin ISD	\$515,449	0.996600	\$5,136.96	0.0326	
Austin Community College	\$506,789	0.098700	\$500.20	0.0360	
<b>Total</b>		<b>1.974923</b>	<b>\$9,343.68</b>	<b>0.0017</b>	
<p>Note: Calculations do not include an estimate of homestead tax savings from Senate Bill 8 (Bettencourt, et al.), 87(2). Senate District 7 Office estimates the tax savings attributable to SB 8 exceed \$20 per average Travis County homestead. These savings are anticipated on later tax roll revisions as first-time partial homestead exemptions are updated to the Travis County tax roll.</p>					
<b>Senate Bill 8 Homestead Tax Savings Estimate</b>					
Homestead Exemption Amount	\$40,000				
AISD Tax Rate	0.996600				
Annual savings estimate	\$398.64				
Minimum monthly savings estimate	\$33.22				
Difference: 2022 Homestead Tax Bill vs. 2021 Homestead Tax Bill	\$15.85				
SB 8 monthly savings estimate:	\$33.22				
<b>Net difference, including SB 8 savings</b>	<b>-\$17.37</b>				

## Bexar County Average Homestead Tax Bill Example

	2022 Average Homestead Taxable Value	2022 Adopted Property Tax Rate	Estimated 2022 Property Tax Bill	% Change from 2021 Property Tax Bill
Bexar County	\$214,665	0.276331	\$593.19	(0.1888)
City of San Antonio	\$211,454	0.541610	\$1,145.26	(0.0180)
Alamo Community College District	\$271,290	0.149150	\$404.63	0.1698
University Healthcare System	\$271,290	0.276235	\$749.40	0.1131
San Antonio ISD	\$122,684	1.424200	\$1,747.27	(0.0253)
<b>Total</b>		<b>2.667526</b>	<b>\$4,639.73</b>	<b>(0.0148)</b>
	2021 Average Homestead Taxable Value	2021 Adopted Property Tax Rate	Estimated 2021 Property Tax Bill	
Bexar County	\$243,735	0.299999	\$731.20	
City of San Antonio	\$208,900	0.558270	\$1,166.23	
Alamo Community College District	\$243,735	0.141915	\$345.90	
University Healthcare System	\$243,735	0.276235	\$673.28	
San Antonio ISD	\$120,186	1.491600	\$1,792.69	
<b>Total</b>		<b>2.768019</b>	<b>\$4,709.30</b>	
<b>NOTES:</b>				
<i>Bexar County Adopted 20% HS Exemption for 2022</i>				
<i>City of San Antonio increased HS exemption from 0.01%(\$5,000) to 10% for 2022 and increased the OV65 from \$65,000 to \$85,000</i>				
Calculations do not include an estimate of homestead tax savings from Senate Bill 8 (Bettencourt, et al.), 87(2). Senate District 7 Office estimates the tax savings attributable to SB 8 exceed \$20 per average Bexar County homestead. These savings are anticipated on later tax roll revisions as first-time partial homestead exemptions are updated to the Bexar County tax roll.				
<b>Senate Bill 8 Homestead Tax Savings Estimate</b>				
Homestead Exemption Amount	\$40,000			
SAISD Tax Rate	1.424200			
Annual savings estimate	\$569.68			
Minimum monthly savings estimate	\$47.47			
Difference: 2022 Homestead Tax Bill vs. 2021 Homestead Tax Bill	-\$69.57			
SB 8 monthly savings estimate:	\$47.47			
<b>Net difference, including SB 8 savings</b>	<b>-\$117.04</b>			

## **INTERIM HEARINGS**

*Visit the Senate Committee on Local Government webpage on the Texas Senate website for interim committee hearing audio/video recordings, minutes, and witness lists.*

### **First Committee Hearing:**

Date: April 20, 2022

Time: 10:00 AM

Location: Texas Capitol Extension, Extension Auditorium, Austin, TX

Proceedings: The Committee received invited and public testimony on charges 5 and 9.

### **Second Committee Hearing:**

Date: September 13, 2022

Time: 1:30 PM

Location: Texas Capitol Extension, Room E1.016, Austin, TX

Proceedings: The Committee received invited and public testimony on charges 3, 4, 6, and 8.

### **Third Committee Hearing:**

Date: September 14, 2022

Time: 9:30 AM

Location: Texas Capitol Extension, Room E1.016, Austin, TX

Proceedings: The Committee received invited and public testimony on charges 1, 2, and 7.

## **Charge 1: Property Tax Reform**

*Property Tax Reform: Review the effect of Senate Bill 2 (86th Legislature), the Texas Property Tax Reform and Transparency Act of 2019, and related legislation passed by the 87th Legislature. Make recommendations for further property tax reform and relief.*

The Committee met on Wednesday, September 14, 2022, to hear invited and public testimony on the Committee's property tax reform interim charge. The Committee took testimony from a total of 17 witnesses representing the diverse views of homeowners, business owners, tax professionals, industry professionals, local taxing entities, and state agencies.

The Committee discussed concerns regarding tax ratification elections (TREs) in independent school districts (ISDs) that would result in no tax relief for the public, noting that several ISDs have taken advantage of the state's compression of maintenance and operations (M&O) tax rates to inflate their M&O rates using TREs. The Committee discussed that setting M&O tax rates to the previous year's tax rate would mean taxpayers would not see any property tax relief. Fort Bend ISD and Katy ISD voters rejected these proposals.

The Committee also noted that several ISDs have increased their interest and sinking (I&S) tax rate to accelerate the paying down of debt resulting in higher tax bills. The Committee discussed that these decisions were made by local school boards without taxpayer input.

The Committee first called Shannon Murphy, director of the Property Tax Assistance Division, Office of the Comptroller of Public Accounts of the State of Texas (Comptroller's Office) to testify on the Committee's property tax reform charge.

Ms. Murphy discussed surveys that the Comptroller's Office conducted to evaluate the effectiveness of appraisal review boards (ARBs). The Committee and Ms. Murphy discussed that the Comptroller's Office maintains data on the number of taxpayer protests filed each year and discussed trends in the number of annual protests filed. The Committee asked Ms. Murphy about no-shows at scheduled hearings and discussed whether a fine should be levied for taxpayers who fail to appear.

The Committee then called Dale Richardson, chief operations officer for the Texas Department of Information Resources (DIR) to testify.

Mr. Richardson provided the Committee with an overview on the impact of legislation requiring increased property tax transparency from taxing entities through the creation of the consolidated property tax database website at DIR. The Committee asked whether DIR reviews the demographics of the individual's website links to determine how many individuals view their accounts. Mr. Richardson told the Committee that DIR does not review the demographics, but that DIR could likely compile those statistics. The Committee asked whether DIR's website has been hacked; Mr. Richardson indicated that it has not. Mr. Richardson told the Committee that the total cost to operate the website was less than \$10,000 per year.

The Committee next called Alex Fairly, testifying on behalf of himself, to testify.

Mr. Fairly testified to the Committee about the potential abuse of non-voter-approved debt instruments, such as certificates of obligation and tax anticipation notes. He told the Committee that in November of 2020, in a bond election, the citizens of Amarillo voted down a proposal to issue general obligation bonds to finance construction of a new civic center. Mr. Fairly described to the Committee how the Amarillo city council explored ways to raise the money for the project despite the outcome of the bond election. He said that the city council voted to double Amarillo's ad valorem tax-supported debt without a public hearing and did not inform the public that they were not going to pay off the debt. Mr. Fairly expressed concern that Amarillo is laying groundwork for Texas local governments to undermine voters and avoid accountability. Notably, the 320th District Court of Texas sided with Mr. Fairly, noting that the issuance would bypass the will of the voters, and declared the issuance void.

The Committee called Jordan Wise, chief appraiser for Fort Bend County Appraisal District (FBCAD), also representing the Texas Association of Appraisal Districts (TAAD) to testify.

Mr. Wise discussed S.B. 2 (Bettencourt et al.; SP: Burrows et al.), 86th Legislature, regular Session 2019. Mr. Wise told the Committee that the bill usefully highlighted the need for transparency in levying of property taxes. He said that S.B. 2 effectively communicated the relationship between tax rates and property values to stakeholders and to the public. He told the Committee that S.B. 2 also made clear that rising property values need not necessarily equate to rising property tax bills. Mr. Wise also testified on matters related to appraisal reform, which is discussed later in the appraisal reform interim charge section of this report.

The Committee next called Christina McMurray, tax assessor-collector for Randall County tax office and representing the Tax Assessor-Collectors Association of Texas and Dale Craymer, president of the Texas Taxpayers and Research Association (TTARA) to testify.

Ms. McMurray discussed the implementation of S.B. 2 and said that many taxpayers she has spoken with have expressed concern with the timing of the sending of informational postcards to taxpayers. She told the Committee that the timing of the mailings can lead to public distrust in property tax databases, and that some have expressed concern to her over the cost of the mailings. Ms. McMurray suggested that adjusting the timing of the postcard mailings might assist taxpayers in understanding the impact of taxing entity decisions on their tax bill.

Ms. McMurray testified to the Committee about the introduction of the unused increment rate, created by S.B. 2, which allows entities that have adopted a rate lower than voter-approval tax rate to carry forward the unused percentage to subsequent tax years. Ms. McMurray told the Committee that ambiguity in the statute concerning the calculation of the unused increment rate should be addressed.



Mr. Craymer gave an overview of property taxes in the state, and told the Committee that tax bills are the product of tax rates multiplied by appraisal values. He said that constraining appraisals does not lower tax bills because local entities can raise tax rates to collect any shortfalls. He testified that S.B. 2 limits the amount of revenue that local jurisdictions can raise in taxes without voter approval. Mr. Craymer noted that this approach focuses attention on taxes as a whole rather than diverting attention to appraisals. Mr. Craymer also told the Committee that S.B. 2 brings voters into the property tax decision-making process by eliminating the petition requirement to trigger a tax rate election. TTARA estimates that the combined effects of S.B. 2 and H.B. 3, 86th Legislature, have saved Texas taxpayers a total of \$6 billion in 2021. Mr. Craymer also noted that TTARA favors tax rate compression as a solution.

Mr. Craymer and the Committee discussed various methods of simplifying the tax rate calculation worksheet. Mr. Craymer suggested the Legislature consider specifying the calculation of protested property values in the prior and current tax years. Mr. Craymer discussed with the Committee methods of improving the unused increment calculation. Mr. Craymer suggested that a method of verification for the values used in tax rate calculation worksheets would be beneficial to taxpayers.

The Committee next called Bill Longley, general counsel for the Texas Municipal League (TML) and James Quintero, policy director for the Texas Public Policy foundation (TPPF) to testify.

Mr. Longley described to the Committee how municipal governments have adjusted to changes in the tax system set out in S.B. 2. He told the Committee that since 2019, cities in Texas have faced unique challenges brought on by the COVID-19 pandemic including: the demands of the state disaster declaration, the impacts of federal funding, inflation, and population growth. Mr. Longley testified to the Committee that H.B. 2429 (Meyer and Shine; SP: Bettencourt), 87th Legislature, Regular Session, 2021, allows cities to provide clarified tax rate hearing notices for taxing units seeking to set a de minimis tax rate that exceeds the taxing unit's voter-approval tax rate. He noted for the Committee that S.B. 2 addressed the tax rate setting process for cities, but not the budget adoption process, and discussed potential changes to filing deadlines to better align the budget and tax rate adoption process. The Committee asked how many Texas cities exceeded the voter-approval tax rates in the last year; Mr. Longley indicated that the cities of Austin and Mesquite exceeded the voter-approval rate in the past two years.

Mr. Quintero testified to the Committee that S.B. 2 was the most consequential tax reform bill enacted in a generation. He told the Committee that property tax relief should be addressed comprehensively in the coming Legislative Session. Mr. Quintero recommended that statutory language referring to "voter-approval tax rate elections" be changed to "tax increase elections" to communicate to the public that those ballot measures concern tax increases. He said that the legislature should build on the provision in H.B. 3 (Huberty et al.; SP: Taylor et al.),

86th Legislature, Regular Session, 2019, regarding property tax increases on bond measures. Mr. Quintero discussed the Taxpayer Impact Statement adopted in Austin in 2015 to simplify tax rates, property values, and tax exemptions. He recommended to the Committee that the Legislature consider eliminating the designated infrastructure classification provided for in H.B. 1869 (Burrows et al.; SP: Bettencourt), 87th Legislature, Regular Session, 2021. The Committee discussed that ballot language should be straightforward.

The Committee asked Mr. Quintero about the use of surplus revenues for homestead exemptions. Mr. Quintero said that he supports eliminating the 'Robin Hood Plan' that was adopted to satisfy court-mandated equitable school financing and indicated that that school property taxes should be managed by the state.

The Committee next called Christy Gessler, broker-owner representing the Texas Realtors; James LeBas, representing the Texas Association of Manufactures (TAM), the Texas Apartment Association (TAA), the Texas Oil and Gas Association (TXOGA), and the Association of Electric Companies of Texas (AECT); and Cheryl Johnson, tax assessor-collector for the Galveston County Tax Office to testify.

Ms. Gessler testified to the Committee that her residential clients have expressed concerns about property tax burdens. She said that S.B. 2 has clarified matters related to property taxes that benefit realtors and the public. Ms. Gessler told the Committee that many property owners continue to blame increases in their property tax bills on increased appraisal values and urged the Committee to continue considering measures that will educate the public on the differences between appraised values, tax rates, and tax levies. The Committee questioned Ms. Gessler about the ways members of Texas Realtors understand property tax reform and she stated that Texas Realtors is working to clarify the complexities of property tax issues for its members. The Committee questioned if Texas Realtors were united in support of measures capping local property tax revenues; Ms. Gessler indicated that they are.

Mr. LeBas testified to the Committee that tax rate compression is the most equitable way to distribute property tax relief. He said that all property owners should receive this benefit in proportion to tax burdens, as distinct from exemptions which only benefit property owners eligible for the exemption. Mr. LeBas discussed the independence of the appraisal process and said that he opposes having appraisal officials chosen by election. He told the Committee that the taxable value of multifamily apartment residences has risen at double the rates of homestead property and that he expects that trend to continue once the additional \$15,000 homestead exemption becomes effective. Mr. LeBas noted that many property tax exemptions in Texas lower taxes on homesteads, but that apartments are taxed at full value.

The Committee asked Mr. LeBas if the rise in multifamily unit tax rates is attributable primarily to a lack of tax exemptions available for those properties. Mr. LeBas indicated that it is not. He told the Committee that an increase in taxes on multifamily residences necessitates an

increase in rents, which in turn results in rising appraisal values. He noted that this process is a result of appraisal mechanisms, not market forces.

Ms. Johnson testified to the Committee that bond indebtedness in three independent school districts (ISDs) in Galveston County will cause property tax rates in those ISDs to rise dramatically. Ms. Johnson described to the Committee that tax calculation methods in S.B. 2 do not account for revenues collected from properties with tax ceiling protections. Ms. Johnson suggested that tax collector's names be removed from tax information postcards and replaced with contact information for the appraisal district. She told the Committee that people living in different municipal utility districts contact her office for tax information and that she must refer them to the appropriate tax authority.

Ms. Johnson told the Committee that there is no enforcement mechanism for municipalities that do not follow the guidelines established by S.B. 2 and proposed the creation of a single property tax database for public use. She also said that local governments should not be allowed to adopt new tax rates until all information concerning changes to the appraisal roll is available through the tax database. She said that adopted tax rates should include a resolution that all the requirements of the Property Tax Code have been met. Ms. Johnson suggested that the definitions of water districts could be clarified, noting that currently, a district engineer determines if a water district is classified as small, developing, or developed.

### **RECOMMENDATIONS**

1. The Legislature should consider adopting legislation requiring the citation and sourcing of data used on a taxing entity's tax rate calculation worksheet.
2. The Legislature should consider adopting legislation clarifying that tax rate calculations from prior tax years may not be amended for purposes of calculating a current year tax rate.
3. The Legislature should consider adopting legislation clarifying the proper calculation of the following for taxing entities' tax rate calculation worksheets:
  - a. Taxable value lost because court appeals of ARB decisions reduced prior value appraised value
  - b. Prior year taxable value subject to an appeal under Chapter 42
  - c. Total taxable value on the current year certified appraisal roll
  - d. Total value of properties under protest or not included on certified appraisal roll
4. The Legislature should consider adopting legislation amending the definition of debt for purposes of calculating a tax rate to ensure that only voter-approved debt is included in the calculation of a debt tax rate.
5. The Legislature should consider adopting legislation requiring oversight and periodic audit review of taxing entities' tax rate calculations.
6. The Legislature should consider adopting legislation repealing taxing entities' ability to adopt a de minimis tax rate.

7. The Legislature should consider adopting legislation decreasing the number of years for which a taxing entity is able to utilize an unused increment rate from three years to one year.
8. The Legislature should consider adopting legislation requiring that a taxing unit's unused increment be calculated using a tax rate that would yield the same amount of revenue in the tax year that the increment is being levied as the tax year in which the increment was saved.
9. The Legislature should consider adopting legislation clarifying that a taxing unit's unused increment is adjusted once taxing unit has utilized the unused increment.
10. The Legislature should consider adopting legislation ensuring that adjustments to tax freeze properties' tax bills are automatically made to reflect any state compression of ISD tax rates.
11. The Legislature should consider passing legislation to ensure the timely adoption of tax rates following taxing entities' receipt of a certified appraisal roll or a certified estimate of an appraisal roll.

## **Charge 2: Appraisal Reform**

*Review the implementation of Senate Bill 63, House Bill 988, and other related legislation passed by the 87th Legislature. Make recommendations to ensure appraisal guidelines are effective and taxpayers have enforcement mechanisms.*

The Committee met on Wednesday, September 14, 2022, to hear invited and public testimony on the Committee's appraisal reform interim charge. The Committee took testimony from a total of 13 witnesses representing the diverse views of homeowners, business owners, tax professionals, industry professionals, local taxing entities, and state agencies.

The Committee called Jordan Wise, chief appraiser for the Fort Bend County Appraisal District (FBCAD), also representing the Texas Association of Appraisal Districts (TAAD), and Roland Altinger, chief appraiser for Harris County Appraisal District (HCAD), to testify.

Mr. Wise testified that the tax database website in Fort Bend County allows the public to become aware of all entities to whom taxes are owed. Mr. Wise discussed the costs of postcards mailed to property owners that direct them to the website and said that FBCAD is working to try and reduce those costs. The Committee and Mr. Wise discussed alternative methods that could be used to direct the public to the tax database website that would be both useful and cost-effective.

Mr. Altinger discussed tax appraisal processes and hearings in Harris County. He told the Committee about discrepancies in the methods used to calculate certain lines in the truth in taxation worksheets and described HCAD's difficulties in fully staffing appraisal review boards in Harris County. The Committee, Mr. Altinger, and Mr. Wise discussed the benefits of retaining three-member hearing panels while reducing ARB staff overall. Mr. Altinger testified that HCAD needs more than 70 new board members to handle 500,000 hearings held each year.

The Committee heard from a panel consisting of Shannon Murphy, Jordan Wise, and Marya Crigler, chief appraiser, Travis CAD, to testify on the appraisal reform interim charge.

Ms. Murphy summarized the implementation of H.B. 988 (Shine et al., SP: Hancock and Bettencourt), 87th Legislature, Regular Session, 2021, and related legislation affecting the Comptroller's office.

Mr. Wise told the Committee that ARBs in large counties are required to provide email or text message alerts to citizens as reminders of ARB appointments. He said that his office has received positive feedback about these reminders. The Committee, Mr. Wise, and Ms. Murphy discussed limited binding arbitrations (LBAs). The Committee asked Mr. Wise if the passage of H.B. 988 resulted in improvements in ARB services and if ARBs are following procedures as required. The Committee followed up by asking Mr. Wise if he knew of any property owners who have been waiting more than one year for their motions or petitions to be heard; Mr. Wise was not aware of any such property owners. Mr. Wise suggested to the Committee that greater

transparency from ARBs regarding the use of valuation methodology standards and evidence collecting would be beneficial to the appraisal process and to the public.

The Committee and Mr. Wise discussed the role of administrative law judges in the appraisal process. The Committee noted that H.B. 988 provided for clerical assistance to taxpayer liaison offices and asked whether these assistants are paid employees or volunteers. Mr. Wise indicated that in Fort Bend County, clerical assistants receive a small monthly stipend for part-time positions, but was not aware of what practices were being employed in other counties.

Ms. Crigler testified to the Committee that Travis County has five taxing jurisdictions and five tax changes could result in an individual taxpayer receiving 25 emails concerning those changes. She recommended that a uniform date be established for all changes that are made in the system and suggested that the Texas Department of Information Resources could assist to ensure those emails are not classified as spam. Ms. Crigler told the Committee that postcards disseminating tax information should be made uniform statewide.

The Committee then called Ray Head, retired property tax consultant for the Texas Association of Property Tax Professionals; Jim Popp, attorney for Popp Hutcheson PLLC; and Paul Pennington, property tax consultant for Citizens for Appraisal Reform, to testify.

Mr. Head provided an overview to the Committee of the purview of LBA, and suggested expanding the causes that are eligible for LBA hearings. The Committee questioned whether any ARB chairman has been removed under the provisions set out in H.B. 988; Mr. Head indicated that none had. He told the Committee that ARBs should maintain their independence from CADs to ensure that the integrity of the administrative protest system is maintained. Mr. Head told the Committee that a taxpayer's protest should not be dismissed when a property owner or owner's agent is present on the scheduled date, but the hearing is not conducted on that date. He said that constitutional requirements ensuring equal and uniform taxation should be clarified. Mr. Head also recommended that CAD boards include two taxpayer representatives in addition to taxing entity representation.

Mr. Pennington testified to the Committee that a taxpayer advocate be included in discussions concerning ARB member training protocols. He also recommended that ARB members be subject to term limits. The Committee and Mr. Pennington discussed improvements that could be made to necessitate more effective ARB member training.

Mr. Popp testified to the Committee that Texas has the best property tax system in the nation because the state employs a single, market-value standard for each property owner. Mr. Popp indicated that the system to protest appraisals in Texas is also the best in the country. He told the Committee that the appraisal system should be modernized to include electronic transfers of information, electronic payment options, and the elimination of all paper tax information and hearing notices.

The Committee and Mr. Popp discussed situations when a property is destroyed but is still subject to taxation, and discussed whether such properties should be taxed. Mr. Popp indicated that a tax exemption in such cases would require clear definitions of loss and damage and should apply only to homeowners.

The Committee called Dale Craymer, president of the Texas Taxpayers and Research Association (TTARA), to testify on the appraisal reform charge.

Mr. Craymer touted the work of appraisal districts, but noted that they are not funded sufficiently, and said that the dispute resolution process is structured inappropriately. Mr. Craymer described to the Committee that the shortage of ARB members can be addressed by better pay and evaluating the residency standard. He said that ARBs lack independence from CADs, and he recommended that applicants for member positions apply directly to the administrative law judge rather than to a CAD. He said that CAD members should have contact information identifying for them available online and suggested that taxpayer liaison contact information should be made available as well.

The Committee finished hearing its appraisal reform charge by taking public testimony from four members of the public. Each public witness discussed the process of protesting the appraisal of their land due to issues concerning the loss of groundwater on their properties.

**RECOMMENDATIONS:**

1. The Legislature should consider expanding the causes for which a taxpayer is eligible to request limited binding arbitration with regard to protest proceedings related to their appraisal values.
2. The Legislature should consider passing legislation to increase transparency measures related to protest hearings conducted by an appraisal review board.
3. The Legislature should consider passing legislation expanding the class of individuals who are eligible to serve on an Appraisal Review Board.
4. The Legislature should consider passing legislation to modernize the electronic transfer of CAD data and allow for the electronic payment of property taxes for all taxing units in the state.
5. The Legislature should consider changing the spring appraisal value notice to remove the prior year's tax rate as tax rates are falling due to a combination of S.B. 2 and H.B. 3.
6. The Legislature should consider passing legislation to ensure that postcard notices related to the Texas Property Tax Database are mailed only after timely data has been uploaded to the databases.

### **Charge 3: Special Purpose Districts**

*Perform a comprehensive study on the powers and purposes of various special purpose districts and their associated legislative templates. Make recommendations to improve public transparency in operations of special purpose districts and associated legislative templates.*

The Committee met on Tuesday, September 13, 2022, to hear invited and public testimony on the Committee's special purpose district interim charge. The Committee took testimony from a total of 6 witnesses representing the Texas Legislative Council, special district legal practitioners, local elected officials, and academic researchers.

The Committee first heard testimony from Jeff Archer, executive director for the Texas Legislative Council (TLC); Shawn Harrison, special counsel for TLC; and Jessie Coulter, attorney for TLC, to testify on the interim charge.

Mr. Archer provided the Committee with an overview of the complexity and history of special purpose districts in Texas. Mr. Harrison provided the Committee with an overview of water districts, how they are defined within special purpose districts, and the process of creating them. He testified to the Committee that TLC is in the process of updating the municipal utility district (MUD) template this interim.

The Committee discussed the need to ensure districts that are created for one purpose do not convert into other types of districts, particularly when eminent domain authority is involved. Mr. Harrison told the Committee that there are provisions in statute that permit a district to convert from one type to another, but noted that a conversion can create uncertainty regarding what powers the district has following the conversion.

Ms. Coulter provided an overview of management districts to the Committee. She told the Committee that management districts are created inside a city to supplement city services. Ms. Coulter said that management districts provide money for services in the district and that money may come from a variety of sources, including property taxes and special assessments. Ms. Coulter described how her office creates new templates for special purpose districts and noted that the House Committee on Special Purpose Districts Interim Report, 85th Legislature, created a framework for statutory language used in the creation of management districts.

Ms. Coulter testified to the Committee that the second-greatest number of requests for special district legislation that TLC receives are for emergency service districts (ESDs), noting that ESDs cannot be created by local law. Coulter described to the Committee how ESDs function and how they are created. The Committee discussed whether ESDs should be allowed to collect only property taxes, should be allowed to collect sales tax, and whether they should be required to reduce property taxes if they collect additional revenues.

The Committee noted that there are more than 300 ESDs in Texas, which is greater than the number of counties in Texas. The Committee discussed whether restrictions on municipal



annexation could lead to a need for more ESDs in the future. The Committee also questioned if the state might utilize counties in the dissolution of certain districts by creating county wide ESDs.

The Committee noted that there is no centralized mapping of the boundaries of special purpose districts and their taxing units, and discussed whether having such information might help residents and governing officials understand the comparative cost of living inside a city versus outside of a city.

The Committee then called Ty Embrey, attorney for Lloyd Gosselink, P.C. and Rod Bordelon of the Texas Public Policy Foundation (TPPF), to testify.

Mr. Embrey testified that his law firm represents many water districts and discussed the process of creating special purpose districts under the Water Code. He testified to the Committee about the Legislature's efforts over many sessions to make the special district creation process more transparent.

The Committee discussed that some developers go through the Texas Commission on Environmental Quality (TCEQ) because they do not want to partner with cities and counties, with members of the Committee noting that they receive feedback that the TCEQ path to creation of a special district is less difficult.

Mr. Bordelon cited a 2014 report by the Senate Research Center regarding special purpose districts, which identified more than 2,000 districts in the state. He told the Committee that the State has too many special purpose districts that lack transparency and that standardizing districts to prevent overlapping authority of jurisdictions would be beneficial to citizens of the jurisdiction. Mr. Bordelon told the Committee that some district financial data is required to be filed with the Office of the Comptroller, but that it is oftentimes unclear whether a district is subject to reporting requirements under statutory reporting thresholds. He also noted to the Committee that the Office of the Comptroller lacks audit authority over special districts. The Committee and Mr. Bordelon discussed whether the Comptroller should be granted the authority to audit special districts.

The Committee then called David Billings, Mayor for the City of Fate, to testify. Mr. Billings and the Committee discussed improving the process dissolving special districts, noting that the current process can be long and difficult. Mr. Billings testified that all MUDs should be required to be created through the legislative process. The Committee and Mr. Billings discussed whether MUDs should be allowed to accrue secondary debts.

#### **RECOMMENDATIONS:**

1. The Legislature should consider adopting legislation clarifying that the powers granted to a special purpose district do not extend beyond the boundaries of the special purpose district for any reason.

2. The Legislature should consider adopting legislation to ensure that special tax treatments granted to special purpose districts only apply to taxable property located wholly within or taxable transactions occurring wholly within the district's boundary.
3. The Legislature should consider adopting legislation granting the Comptroller of Public Accounts and the Texas Commission on Environmental Quality (TCEQ) additional oversight and audit authorities over certain types of special purpose districts.
4. Municipal Management District template language should be used as a baseline for districts created by the Legislature. Suggested template language from the 85th Legislature's House Special Purpose District Committee Interim Report is listed in the Appendix of this report.

## **Charge 4: Affordable Housing**

*Study issues related to affordable housing, homelessness, and methods of providing and financing affordable housing. Make recommendations to improve transparency and accountability, as well as to better utilize existing federal, state, and local programs.*

The Committee met on Tuesday, September 13, 2022, to hear invited and public testimony on the Committee's affordable housing charge. The Committee took testimony from a total of 24 witnesses, representing a diverse view of state agency professionals, industry professionals, profit and non-profit housing developers, academic researchers, and non-profit advocacy groups.

The Committee first received testimony from Bobby Wilkinson, executive director for the Texas Department of Housing and Community Affairs (TDHCA), and Jean Latsha for the Texas Affiliation of Affordable Housing Providers (TAAHP).

TDHCA provides affordable multifamily rental housing, financing, assistance with mortgages, and assistance for home ownership to Texans with incomes at or near the poverty line. Mr. Wilkinson testified to the Committee that, in 2021, more than 2 million Texas households were considered to be low-income for purposes of qualifying for some form of TDHCA assistance. Mr. Wilkinson testified that a recent National Low Income Housing Coalition study indicated that Texas has 29 affordable housing units for every 100 low-income renters.

Mr. Wilkinson told the Committee that TDHCA's best tool to build more affordable housing is the Housing Tax Credit (HTC) program, which financed the construction or rehabilitation of nearly 13,000 units in 2021; he later specified that all 13,000 units constructed or rehabilitated through the HTC program were apartment units. Mr. Wilkinson discussed that the HTC program is a credit against the federal corporate income tax; he noted that the program is currently worth \$291 million per year for 10 years, representing a par value of \$2.91 billion.

Mr. Wilkinson then discussed different funds and programs that TDHCA and its partners use to address housing issues and to help Texas residents avoid homelessness. In discussing the expenditure of funds provided to Texas via the Coronavirus, Aid, Relief, and Economic Security (CARES) Act, Mr. Wilkinson noted that the state recently received an additional \$47.8 million distribution, reallocated from other states because Texas has effectively utilized those funds as intended. Mr. Wilkinson indicated that the state may receive other allocations later in 2022 and in Spring 2023.

Mr. Wilkinson discussed the discrepancy in need for affordable housing among metropolitan, midsized, and rural counties. He testified that an area such as Austin or Travis County is an example of a location in which residents are cost burdened, which is defined as a household paying more than 30% of its income for housing. Mr. Wilkinson said that residents of fast-growth cities like San Marcos and Frisco are also likely cost-burdened.

The Committee and Mr. Wilkinson discussed the merits of the two-mile rule. Mr. Wilkinson testified that the two-mile rule only applies in large counties and prohibits developers from constructing affordable housing under the nine-percent Low-Income Housing Tax Credit program from building two projects within a two-mile radius within a single year, in order to avoid concentrating poverty in a geographic area.

The Committee and Mr. Wilkinson discussed whether improvements to TDHCA's accountability and transparency should be made. Mr. Wilkinson said that TDHCA's board meetings and protocols are public, but noted that tools to better explain TDHCA's complex operations could be helpful to the public's understanding of the agency's activities. Ms. Latsha, who previously worked at TDHCA, agreed that additional transparency tools would be helpful to TDHCA's mission. The Committee and Mr. Wilkinson discussed the amount of investment that is leveraged by the pass-through tax credits that are sold in the state.

Following discussion of accountability and transparency tools, Ms. Latsha discussed her concern with state statutes that restrict TDHCA's discretion to decide where certain awards should go. She suggested that the repeal of certain statutes could assist TDHCA in meeting the needs of certain regions. Ms. Latsha and the Committee discussed additional recommendations that could be used to increase the number of affordable housing units being developed, including increasing the cap on competitive housing tax credits per development from \$3 million to \$4 million.

Ms. Latsha testified that the current statute prevents developers from competing for nine-percent tax credits. She told the Committee that those developers tend to chase the same site in the same census tract, thus driving up the cost of land which reduces the amount available for construction. The Committee and Ms. Latsha discussed the timelines necessary to close affordable housing deals. Ms. Latsha noted that while many land purchasers can close deals at any time, affordable housing developers must wait for bonds to be awarded. She told the Committee that it is worse with the four-percent program since lottery applications must be submitted to the bond review board in October for the following year, with awards made throughout the next 13 months. She shared with the Committee her experience with an application process that took 15 months.

The Committee questioned Ms. Latsha on her opinion on what effects the elimination of the two-mile rule might cause. Ms. Latsha testified that elimination of the two-mile rule would give developers options when deciding where to place housing tax credit developments and could lower the cost of land acquired for such development by increasing the amount of land available for such sites.

The Committee next called Michelle Steeb, senior fellow for the Texas Public Policy Foundation (TPPF), and Nathan Kelly with the Houston Regional Business Coalition, to provide invited testimony.

Ms. Steeb testified that production of affordable housing units is not an answer to homelessness, citing an increase in Texas' homeless population between 2016 and 2020. She said that the 'Housing First' model implemented in certain cities throughout the country has proven to be ineffective. Ms. Steeb told the Committee that homelessness is a multilayered problem and that the response to it should be a multifaceted approach.

Mr. Kelley stated to the Committee that inflation has shortened supply growth in Texas and impacts the supply of housing in major metropolitan areas the most. He said that the diverse workforce of the Texas economy provides a demand in Texas for diverse housing options. Mr. Kelley discussed the history of state statute that permits public facility corporations (PFCs) to develop workforce housing as an economic development and revitalization tool. He described the PFC state's positive economic impact on small and rural areas.

The Committee and Mr. Kelley discussed the desire to modify the PFC statute in the 88th Legislative session to address transparency and accountability concerns.

The Committee then called Scott Norman, executive director of the Texas Association of Builders and Wayne Dolcefino, on behalf of himself, to testify.

Scott Norman told the Committee that the affordable housing issue will be solved by the private sector. Mr. Norman cited a recent research publication by the Real Estate Center at Texas A&M University that stated for every \$1,000 increase in the media cost of a home, 22,000 Texas families become 'priced out' out of the market by an inability to qualify for a mortgage.

Mr. Norman testified that some local jurisdictions increase the required minimum lot size in an intentional effort to reduce density and keep certain types of residents out; he told the Committee that such requirements increase the cost of housing in those communities. The Committee discussed an example where a community adopted an ordinance prohibiting homes built with less than 2,500 square feet of air-conditioned space and how this drives up the cost of housing.

The Committee and Mr. Norman discussed modernizing and modifying certain housing regulations created for local governments, and discussed the merits of streamlining regulation to help reduce red tape in the development process. The Committee recalled that the 2008 recession resulted from mortgage-backed securities and mortgages that were issued without sufficient oversight.

The Committee and Mr. Norman discussed the imposition of development fees that are earmarked for uses other than development being permitted or that are earmarked, but never spent.

Mr. Norman told the Committee that Texas does not provide much general revenue funding for affordable housing, with most of the state's support coming from federal money and tax credits. He said that state laws impeding the transfer of condemned lands or

foreclosed lands to developers for construction of affordable housing could be changed to ease the development process. The Committee and Mr. Norman discussed the diverse nature and needs of Texas communities, the need for local regulations that reflect that variety, and the need for state laws that continue to consider the overarching issues.

Mr. Dolcefino testified to the Committee that the Houston Housing Authority has taken property worth \$1.2 billion off appraisal rolls over three years without any vote by public officials. He told the Committee that because public facility corporations (PFCs) do not pay property taxes, they have an unfair advantage over nearby properties that do pay property taxes. Mr. Dolcefino testified that property taxes can account for up to one-third of the total cost to operate an apartment complex.

Mr. Dolcefino told the Committee that certain housing authorities violate the Open Meetings Act by not disclosing their agreements and contracts with developers. He told the Committee that there is currently no requirement that the public be given notice of these agreements and contracts before either are finalized. The Committee and Mr. Dolcefino discussed that because these agreements and contracts are not required to be approved by elected officials, there is little accountability for either. Mr. Dolcefino cited that the most egregious abuses he has seen were from the Houston Housing Authority; he told the Committee that the public is unable to know what deals have been made because the details of agreements change after each meeting with no notice.

**RECOMMENDATIONS:**

1. The Legislature should consider eliminating the ad valorem tax exemption offered in Sec. 303.042(f), Texas Local Government Code.
2. The Legislature should consider passing legislation providing that an exemption under 303.042, Texas Local Government Code (Taxation) for a multifamily residential development which is owned by a public facility corporation (PFC) applies only if the PFC has entered into a memorandum of understanding with the governing bodies of local government units with the authority to levy ad valorem taxes on the property.
3. The Legislature should consider passing legislation to increase transparency and accountability measures related to tax exemptions offered under Sec. 303.042, Texas Local Government Code.
4. The Legislature should consider passing legislation requiring cities to allow third party review of preliminary plans, building permits, site plans, subdivision plans, and inspections, with the choice of whether to use third party review belonging to the applicant, and with the ability of the city to audit third party reviews.
5. The Legislature should consider passing legislation strengthening personal property rights, which are the bedrock of free market exchange and economic development, by identifying specific instances of local overregulation to cull. This will preserve the economic freedom of homeowners and home builders to meet the needs of the Texas housing market.

6. The Legislature should consider passing legislation prohibiting special districts and any corporations acting on their behalf from owning or investing in affordable housing properties outside of the district's boundaries.
7. The Legislature should consider passing legislation requiring all affordable housing projects to be approved by the local taxing units in which the property is located, disallowing the approval by a taxing unit from another jurisdiction.

## **Charge 5: Bond Elections**

*Review and report on voter participation and bond election result differences between November and May elections. Make recommendations for improved voter turnout, increased election efficiencies, and better accountability of local debt.*

The Committee met on Wednesday, April 20, 2022, to hear invited and public testimony on the Committee's bond elections interim charge. The Committee took testimony from a total of four witnesses.

The Committee first called Rob Latsha, executive director for the Texas Bond Review Board (BRB), and Justin Groll, director of finance for the BRB, to testify on the Committee's bond elections interim charge. Mr. Groll testified as a resource witness for the Committee.

Mr. Latsha and the Committee discussed ballot proposition results from November 2021, with Mr. Latsha noting that the data he presented to the Committee is collected by a third party and is not directly reported to BRB. The Committee confirmed with Mr. Latsha that, according to data presented in Mr. Latsha's testimony, the majority of large scale expansion bonds passed in the November 2 election, even though only 47 percent of bond propositions were approved by voters.

Mr. Latsha told the Committee that the COVID-19 pandemic delayed some bond elections and that discerning macro trends in bond election results is not currently possible. Mr. Latsha indicated to the Committee that more independent school district bonds were defeated in the most recent election than in any previous election.

The Committee questioned Mr. Latsha on whether BRB studies the use of bonds to refinance debt. Mr. Latsha said that BRB is closely involved in the debt approval process at the state level, but only curates data for local bonded debt. The Committee asked Mr. Latsha about net present value savings with Mr. Latsha indicating that net present value savings represent the dollar value of the amount refunded in terms of today's dollar. The Committee and Mr. Latsha further discussed the issuance of low-interest bonds to fund development and refunding the bonds later to save money in the future.

Mr. Quintero, policy director for the Texas Public Policy Foundation (TPPF), was called next to testify on the Committee's bond elections interim charge.

Mr. Quintero told the Committee that improving voter turnout at bond elections is important because local governments rely too heavily on public debt. He suggested to the Committee that requiring ballot box transparency and increased transparency around the issuance of certificates of obligation would benefit taxpayers. Mr. Quintero told the Committee that taxpayers often do not understand the relationship between new debt issuances and tax increases.



The Committee and Mr. Quintero discussed how to most accurately and fairly inform voters on ballot measures related to debt that eventually leads to increased property taxes. The Committee discussed reforms made by the 87th Legislature to certificate of obligation issuances and debt tax rate calculations. Mr. Quintero told the Committee that cities may maintain their status quo if they create Tax Increment Reinvestment Zones (TIRZ) and that more cities are creating TIRZs.

The Committee then called Greg Smith, executive director of the Fast Growth Schools Coalition (FGSC), to testify on the bond elections interim charge.

Mr. Smith testified that school districts go through great efforts to determine correct bond amounts and to accurately inform the public about the impact of bond packages. He said that school districts should continue to have the option of November or May bond elections, adding that the decision of when to hold a bond election should be made at the local level.

The Committee asked Mr. Smith about enrollment in FGSC schools; Mr. Smith indicated that enrollment totaled approximately 60,000 students in 70 school districts. The Committee asked how many of those schools use substantially split ballot methods in S.B. 30 (Birdwell et al.; SP: Phelan et al.), 86th Legislature, Regular Session, 2019. Mr. Smith indicated that the vast majority of FGSC schools utilize the split ballot method of presenting propositions.

The Committee asked Mr. Smith how the timeliness and cost of completing projects would be affected if bond elections are further restricted. Mr. Smith indicated that school districts use local contractors and that only so much work can be completed at one time; he concluded that further restrictions in the timing of bond elections would result in a slower delivery of projects, overcrowding in certain schools, higher costs of projects, and project delays. The Committee asked Mr. Smith whether high-value bonds are more likely to prevail in election cycles with low turnouts; Mr. Smith indicated that he didn't know what effect, if any, voter turnout would have on the outcome of bond elections, but told the Committee that there is no significant difference in high-value or low-value bond passage rates.

### **RECOMMENDATIONS:**

1. The Legislature should consider passing legislation requiring all bond elections be held on a uniform election date.
2. The Legislature should consider passing legislation to expand the types of debt instruments requiring voter-approval prior to issuance.
3. The Legislature should consider adopting clear ballot language guidelines for all taxing units in the state.

## **Charge 6: Taxpayer Funded Lobbying**

*Study how governmental entities use public funds for political lobbying purposes. Examine what types of governmental entities use public funds for lobbying purposes and what level of transparency is available to the public. Make recommendations to protect taxpayers from paying for lobbyists who may not represent the taxpayers' interests.*

The Committee met on Tuesday, September 13, 2022, to hear invited and public testimony on the Committee's taxpayer funded lobbying charge. The Committee took testimony from a total of six witnesses, representing state agencies, taxpayers, local elected officials, and taxing unit employees.

The Committee took testimony first from J.R. Johnson, interim executive director of the Texas Ethics Commission (TEC), and James Quintero, Texas Public Policy Foundation (TPPF).

Mr. Johnson described the registration process and definitions for lobbyists under Texas law. He said that members of the judicial branch, federal government, and local governments are excluded from the requirement to register as lobbyists. He highlighted certain activities that are exceptions to the requirement to register and described those activities in detail.

The Committee discussed that the Senate has twice passed legislation regarding increased transparency, including additional reporting on different types of contracts and a requirement that those contracts be listed on the TEC website.

Mr. Quintero testified that the intent of the local governmental lobbying expenditures is to expand and preserve government control and to lobby for more tax dollars. Mr. Quintero provided the Committee examples of local government entities using tax money to lobby against taxpayer interests, recalling that during passage of Senate Bill 2, 86th Legislature, every person who opposed the bill was either a lobbyist paid with tax dollars or an employee of a local taxing unit.

The Committee then took testimony from Gail Stannart and Susan Spataro, each testifying on behalf of themselves.

Mrs. Stannart testified that she had found it impossible to determine how tax money is being spent to lobby the Legislature. She expressed her frustration to the Committee that the tax rate for the emergency services districts in which her property is located doubled after firefighters lobbied for pay increases and new fire stations. The Committee discussed whether the Legislature should be held to the same requirements as municipalities regarding transparency; Ms. Stannart indicated that there should be transparency at all levels of government.

Ms. Spataro offered her insight as a former Travis County auditor to the Committee. Ms. Spataro testified that the City of Austin's Intergovernmental Relations Office fully disclosed

its \$1.5 million budget, of which \$789 was spent on outside lobbyists. She said their lobby report is available online.

The Committee then received testimony from Bill Kelly, Director of Government Relations for the City of Houston and David Billings, Mayor for the City of Fate. Mr. Kelly said that all of Houston's contracts for lobbying are fully disclosed on the city's website and are easily found using any common search engine. Mr. Billings discussed his efforts to represent his city before the Legislature, for which the Committee was very familiar. Mr. Billings testified that pitting state government against local governments that bring their views on policies to the Legislature would be devastating.

**RECOMMENDATIONS:**

1. The Legislature should consider adopting legislation that would prevent the governing body of a county or municipality from spending public money or providing compensation in any manner to directly or indirectly influence the outcome of any legislation pending before the Legislature.
2. The Legislature should consider adopting legislation increasing transparency measures related to lobby contracts entered into by political subdivisions of the state. The Legislature should consider requiring political subdivisions' lobby contracts be filed with and published by the Texas Ethics Commission.

## **Charge 7: Efficiency Audits**

*Study the concept of efficiency audits for cities, counties, and special purpose districts and under what circumstances they should be performed. Evaluate whether efficiency audits provide Texans tools to combat wasteful government spending and report whether they are needed before local government tax ratification elections.*

The Committee met on Wednesday, September 14, 2022, to hear invited and public testimony on the Committee's efficiency audit interim charge. The Committee took testimony from a total of three witnesses.

The Committee called James Quintero, policy director of the Texas Public Policy Foundation (TPPF), Susan Spataro, self, and Russell Schaffner, assistant county administrator for Tarrant County, to testify on the interim charge related to efficiency audits.

Mr. Quintero discussed with the Committee the implementation of efficiency audit requirements that were included in H.B. 3 (Huberty et al., SP: Taylor et al.), 86th Legislature, Regular Session, 2019. He told the Committee that cities need guidance on the management of federal government grants related to the COVID-19 pandemic.

Mr. Quintero testified that in a review of the budgets of 12 large local governments, he and a colleague identified trends demonstrating that city budgets have outpaced the city's growth measured by population and inflationary measures; he noted that the review highlighted opportunities for gains to be made in local government operations efficiencies. Mr. Quintero recommend to the Committee that a third party responsible for searching for efficiencies conduct a review of an entity's operations before the entity is permitted to present bond issues to the public at an election.

Ms. Spataro testified to the Committee that she supported the concept of an internal audit prior to the issuance of bonds, but told the Committee that contracts for audits should be required to be bid and should be limited in scope.

Mr. Shaffner expressed concerns to the Committee that efficiency audits constitute an unfunded mandate. He discussed staffing shortages at the Texas Department of Criminal Justice (TDCJ), and the processing needs in county jails to transfer inmates to state facilities. Mr. Schaffner suggested that law enforcement efficiency audits for counties with populations over one million should be carved out.

The Committee discussed the distinction between efficiency audits and performance audits, noting that performance audits could be conducted by outside experts, city comptrollers, or county treasurers.

## **RECOMMENDATIONS**

1. The Legislature should consider adopting legislation requiring political subdivisions of the state to examine the operations of the political subdivision's fiscal management, efficiency, and utilization of resources. Political subdivisions should be required to post the findings of the audit before certifying a tax rate election to adopt a tax rate above the taxing entity's voter-approval tax rate.
2. The Legislature should consider expanding existing offices of inspectors general (OIGs) in state agencies or expanding OIGs to include regional audit centers across the State of Texas.

## **Charge 8: Extraterritorial Jurisdictions**

*Study issues related to municipal extraterritorial jurisdictions and annexation powers, including examining possible disannexation authority. Determine whether extraterritorial jurisdictions continue to provide value to their residents and make recommendations on equitable methods for disannexation.*

The Committee met on Tuesday, September 13, 2022, to hear invited and public testimony on the Committee's extraterritorial jurisdiction (ETJs). The Committee took testimony from a total of seven witnesses representing state agencies, developers, property owners, and local officials.

The Committee first heard testimony from the Jeff Archer, executive director of the Texas Legislative Council (TLC), and Trey Burke, attorney, TLC.

Mr. Archer provided an overview of the history of ETJs and their two functions: to reserve areas for future annexation, and to give municipalities authority to regulate certain areas within their ETJs. The Committee inquired into how Texas' laws regarding ETJs compare to other states. Mr. Archer testified that Texas has some of the more vigorous laws, but noted that other states have similar practices with inconsistencies, with no two states employing the same practices.

Mr. Burke provided the Committee with an overview of municipal annexation, its history, its complexity, as well as the process of disannexation. The Committee asked whether laws relating to disannexation are as developed as laws relating to annexation. Mr. Burke testified that there have been court cases regarding disannexation and that legislation has been introduced in multiple sessions seeking to clarify who has authority to bring forward disannexation actions. The Committee discussed the relationship between ETJs and the special requirements of some of the state's military installations.

Next, the Committee took testimony from Scott Norman, executive director for the Texas Association of Builders and James Quintero, policy director for the Texas Public Policy Foundation (TPPF).

Mr. Norman provided the Committee with an overview of the difficulties builders face when building in an ETJ, and city and county regulations conflict. He provided the Committee an example involving the City of Austin and Travis County. The Committee asked about concerns that populations are growing faster within ETJs than inside city limits, and that homeowners may have expectations concerning the provision of city services. Mr. Norman said that some people who live outside of city limits might want less regulation and less taxes; he also said that in some areas, home buyers are able to get more housing for the dollar because the house is in an unincorporated area.

Mr. Quintero testified that residents of ETJs are denied the right to participate in local democratic elections, depriving them of the opportunity to vote on those who govern them. The Committee and Mr. Quintero discussed the role of water and wastewater services in disannexation actions.

The Committee then called Ryan Brannon, attorney, Save Lost Creek, who discussed the outcomes of legislative discussions in the 87th Regular Session relating to disannexation of certain areas not receiving municipal services.

Mr. Brannon testified that S.B. 659 (Buckingham and Hughes; SP: Craddick), 87th Legislature, Regular Session, 2021, was filed at the request of the community of Lost Creek. He said that the Lost Creek community was annexed by the City of Austin prior to the Legislature's passage of municipal annexation reform in the 85th Legislature, 1st Called Special Session, 2017. The Committee and Mr. Brannon discussed that S.B. 659 died in the House of Representatives on a point of order related to the constitutionality of the bill's bracket language. The Committee and Mr. Brannon discussed whether the Legislature should consider adopting disannexation legislation that would apply statewide.

The Committee received public testimony from David Billings, Mayor of the City of Billings, and Jeff Dewese, a real estate developer testifying on behalf of himself.

Mr. Dewese testified on ETJ regulation and its effects on housing costs. He said that cities currently attempt to impose regulations primarily related to minimum lot sizes. Mr. Dewese provided an example to the Committee in which he explained that after several months of working with a city's staff to develop housing for first time home buyers, the city council rejected the plans. He said that the city council's rejection related to the council's desire for lot sizes to be up to twice as large as the developer's proposal; this increased lot size would have increased the cost of homes well beyond what a first-time home buyer can afford. Mr. Dewese told the Committee that the land remains undeveloped.

Mr. Billings discussed the need to address the cost and provision of services to residents living in a city's ETJ. Mr. Billings noted that when a development is located in a city's ETJ, it would need fire protection. He said that because ETJ residents do not pay property taxes nor sales taxes, the burden of providing those services is shifted from ETJ residents to city taxpayers.

**RECOMMENDATIONS:**

1. The Legislature should consider adopting legislation to create a method for reconciling a controlling regulatory regime for purposes of land development regulations in ETJs where municipal and county regulations conflict.
2. The Legislature should consider adopting legislation creating a statewide model for municipal disannexation.

## **Charge 9: Ballot Language**

*Study the development of the language used for constitutional amendment and local ballot propositions. Recommend changes to make ballot propositions more easily understood by voters.*

The Committee met on Wednesday, April 20, 2022, to hear invited and public testimony on the Committee's ballot language interim charge. The Committee took testimony from a total of three witnesses.

Jeff Archer, executive director, Texas Legislative Council (TLC) was called first to testify on the Committee's ballot language charge.

Mr. Archer testified to the Committee that the Texas Constitution authorizes the Legislature to propose constitutional amendments and to determine the manner of an election, which traditionally has been understood to refer to the ballot language of a proposal. He told the Committee about the importance of accurately describing proposed changes to law on a ballot. Mr. Archer noted for the Committee that recent ballot language in the City of Austin has been the subject of United States Supreme Court debate and that the court ruled that the city had improperly manipulated ballot language.

The Committee discussed Proposition 1 on the May 7, 2022 ballot and determined that not all individuals aged 65 years or older will be eligible for the property tax exemption. The Committee and Mr. Archer discussed the difference between freezing taxes versus annual reductions. Mr. Archer testified that ballot language should be accurate, concise, neutral, and easily understood by voters; he told the Committee that TLC is careful and deliberate in its processes for writing ballot language.

The Committee and Mr. Archer discussed the circumstances under which a court may become involved in ruling on ballot language. Mr. Archer told the Committee that the phrase "reducing a limitation" in current ballot language might confuse some voters because it sounds like a double negative. The Committee noted that Proposition 1 passed with support from 87% of May 2022 voters and Proposition 2 passed with 85% support.

The Committee and Mr. Archer discussed whether ballot language should be reviewed by state or local officials. Mr. Archer indicated to the Committee that local officials have no ability to determine ballot language for joint resolutions and state measures. The Committee and Mr. Archer discussed how best to determine whether ballot language is easily understood or is misleading. Mr. Archer said that TLC does not have an opinion on those determinations, but noted that everyone knows plain language when they see it.

The Committee asked Mr. Archer whether ballot language must be confined to one sentence, as the language for Proposition 1 on the May 7, 2022 ballot was written. Mr. Archer testified that ballot language is conventionally written as one sentence, but that nothing



prevents a ballot proposition from being presented using a more complex sentence structure, particularly when a ballot proposition addresses multiple issues.

The Committee then took testimony from Keith Ingram, director of the elections division at the Texas Secretary of State (SOS) and James Quintero, policy director for the Texas Public Policy Foundation (TPPF) on the ballot language interim charge.

Mr. Ingram told the Committee that the SOS drafts the brief ballot statement explaining the nature of the propositions, adding that explanations are published in newspapers statewide and distributed to all state election officials. He testified that a statement is finalized once the Office of the Attorney General (OAG) reviews and amends the statement.

Mr. Ingram said that drafting a readable explanatory statement for ballot propositions is challenging because the statement must cover the issues and complexity of the proposition while maintaining readability; he cited Proposition 1 as an example of this challenge. Mr. Ingram testified that the statutes require ballot propositions to be one sentence in length, but that the requirement could be amended in the Election Code.

Mr. Quintero testified to the Committee that ballot language is often muddy or misleading. He discussed examples with the Committee, citing a 2016 ballot measure in the City of Austin relating to the city's ride-sharing policy, a 2010 ballot measure in the City of Houston related to drainage fees, and a 2018 ballot measure in the City of Austin related to a third-party audit of city budget and operations. The Committee discussed whether codifying the Texas Supreme Court's decision on common law standards for ballot language might clarify the issue of ballot language.

**RECOMMENDATIONS:**

1. The Legislature should consider passing legislation to simplify ballot proposition language, making ballot propositions and the changes to law they would affect more easily understandable.
2. The Legislature should consider passing legislation amending provisions in the Elections Code that require statewide ballot propositions be printed in one sentence.

## Appendix A

Pursuant to the Committee's special purpose district interim charge recommendations, the Committee recommends that the following template language from the House Special Purpose District Committee, 85th Legislature Interim Report, be used as a baseline for the legislative creation of municipal management districts (MMDs). Included below with the MMD template language is additional language that the Committee recommends be used if additional powers are being granted to a district. The Committee notes that the inclusion of any of these additional powers in legislation creating new MMDs necessitates additional legislative scrutiny by the Committee and its staff. Additionally, the Committee will require a cover sheet listing a synopsis of a proposed district's powers be submitted with each bill proposing the creation of a new district.

### PROPOSED MMD TEMPLATE LANGUAGE

By: \_\_\_\_\_ .B. No. \_\_\_\_\_

A BILL TO BE ENTITLED AN

ACT

relating to the creation of the \_\_\_\_\_ *[[[name of district]]]*; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter \_\_\_\_\_ to read as follows:

CHAPTER \_\_\_\_\_ .

SUBCHAPTER A. GENERAL PROVISIONS Sec.

.0001. DEFINITIONS. In this chapter: (1) "Board" means the district's board of directors.

(2) "City" means the [[name of municipality]].

(3) "County" means [[name of county]]. [[A definition of the county in which the district is located is unnecessary if the bill does not include language about the county]]

( ) "Director" means a board member. ( )

"District" means the [[name of district]].

Sec. .0002. NATURE OF DISTRICT. The [[name of district]] is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. .0003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

(b) By creating the district and in authorizing [[select as appropriate]] the county, the city, and other political subdivisions to contract with the district, the legislature has

established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(c) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(d) This chapter and the creation of the district may not be interpreted to relieve *[[select as appropriate]]* the county or the city from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant *[[select as appropriate]]* county or city services provided in the district.

Sec. .0004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

(a) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(b) The district is created to serve a public use and benefit.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

(1) developing and diversifying the economy of the

state;

(2) eliminating unemployment and underemployment; and

(3) developing or expanding transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of

residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;

(3) promote the health, safety, welfare, and enjoyment

of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty;

and

(4) provide for water, wastewater, drainage, road, and

recreational facilities for the district.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street

landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. .0005. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

- (1) organization, existence, or validity;
- (2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;
- (3) right to impose or collect an assessment or tax;  
or
- (4) legality or operation.

Sec. .0006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

- (1) a tax increment reinvestment zone created under

Chapter 311, Tax Code; or

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code.

Sec. .0007. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. .0008. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. .0051. GOVERNING BODY; TERMS.

Sec. .0052. INITIAL DIRECTORS.

SUBCHAPTER C. POWERS AND DUTIES

Sec. .0101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. .0102. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using any money available to the district for the purpose, may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.

(b) The district may contract with a governmental or private entity to carry out an action under Subsection (a).

(c) The implementation of a district project or service is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. .0103. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party, including *[[[select as appropriate]]]* the county or the city, to provide law enforcement services in the district for a fee.

Sec. .0104. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. .0105. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district may engage in activities that accomplish the economic development purposes of the district.

(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:

(1) make loans and grants of public money; and (2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers provided to municipalities by:



(1) Chapter 380, Local Government Code; and

(2) Subchapter A, Chapter 1509, Government Code.

Sec. .0106. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. .0107. ADDING OR EXCLUDING LAND. The district may add or exclude land in the manner provided by Subchapter J, Chapter 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

Sec. .0108. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors'

signatures and the procedure required for a disbursement or transfer of district money.

Sec. .0109. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

SUBCHAPTER D. ASSESSMENTS

Sec. .0151. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. .0152. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property

assessed;

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

#### SUBCHAPTER E. TAXES AND BONDS

Sec. .0201. TAX ELECTION REQUIRED. The district must hold an election in the manner provided by Chapter 49, Water Code, or, if applicable, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax.

Sec. .0202. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election under Section .0201, the district may impose an operation and maintenance tax on taxable property in the district

in the manner provided by Section 49.107, Water Code, for any district purpose, including to:

(1) maintain and operate the district;

(2) construct or acquire improvements; or

(3) provide a service.

(b) The board shall determine the operation and maintenance tax rate. The rate may not exceed the rate approved at the election.

Sec. .0203. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

(c) The limitation on the outstanding principal amount of bonds, notes, or other obligations provided by Section 49.4645, Water Code, does not apply to the district.

Sec. .0204. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:

(1) revenue other than ad valorem taxes, including contract revenues; or

(2) contract payments, provided that the requirements of Section 49.108, Water Code, have been met.

Sec. .0205. BONDS SECURED BY AD VALOREM TAXES; ELECTIONS. (a) If authorized at an election under Section .0201, the district may issue bonds payable from ad valorem taxes.

(b) Section 375.243, Local Government Code, does not apply to the district.

(c) At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

(d) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

Sec. .0206. CONSENT OF MUNICIPALITY REQUIRED. (a) The board may not issue bonds until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

(b) This section applies only to the district's first issuance of bonds payable from ad valorem taxes.

SUBCHAPTER Z. DISSOLUTION

Sec. .0901. DISSOLUTION. (a) The board shall dissolve the district on written petition filed with the board by the owners of:

(1) 66 percent or more of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or

(2) 66 percent or more of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.

(b) The board by majority vote may dissolve the district at any time.

(c) The district may not be dissolved by its board under Subsection (a) or (b) if the district:

(1) has any outstanding bonded indebtedness until that bonded indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonds;

(2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or

(3) owns, operates, or maintains public works, facilities, or improvements unless the district contracts with another person for the ownership, operation, or maintenance of the public works, facilities, or improvements.

(d) Sections 375.261, 375.262, and 375.264, Local Government Code, do not apply to the district.

SECTION 2. The *[[[name of district]]]* initially includes all territory contained in the following area:

*[[[description of district territory]]]*

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant

governor, and speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect [[[effective date]]].



## OPTIONAL ADDITIONAL POWERS

Sec. .0110. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. .0111. NAVIGATION DISTRICT POWERS. (a) The district has the powers provided by the general law of this state applicable to navigation districts created under Section 59, Article XVI, Texas Constitution, including Chapters 60 and 62, Water Code.

(b) The district may purchase, construct, acquire, own, operate, maintain, improve, or extend, inside and outside the district, a canal, waterway, bulkhead, dock, or other improvement or facility necessary or convenient to accomplish the navigation purposes of the district.

SUBCHAPTER F. SALES AND USE TAX

Sec. .0251. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition, computation, administration, enforcement, and collection of the sales and use tax authorized by this subchapter except to the extent Chapter 321, Tax Code, is inconsistent with this chapter.

(b) For the purposes of this subchapter, a reference in Chapter 321, Tax Code, to a municipality or the governing body of a municipality is a reference to the district or the board, respectively.

Sec. .0252. ELECTION; ADOPTION OF TAX. (a) The district may adopt a sales and use tax if authorized by a majority of the voters of the district voting at an election held for that purpose.

(b) The board by order may call an election to authorize the adoption of the sales and use tax. The election may be held on any uniform election date and in conjunction with any other district election.

(c) The district shall provide notice of the election and shall hold the election in the manner prescribed by Section .0201.

(d) The ballot shall be printed to provide for voting for or against the proposition: "Authorization of a sales and use tax in the [[[name of district]]] at a rate not to exceed percent" (insert rate of one or more increments of one-eighth of one percent).

Sec. .0253. SALES AND USE TAX RATE. (a) After the date the results are declared of an election held under Section .0252 at which the voters authorized imposition of a tax, the board shall provide by resolution or order the initial rate of the tax, which must be in one or more increments of one-eighth of one percent.

(b) After the authorization of a tax under Section .0252, the board may increase or decrease the rate of the tax by one or more increments of one-eighth of one percent.

(c) The board may not decrease the rate of the tax if the decrease would impair the repayment of any outstanding debt or obligation payable from the tax.

(d) The initial rate of the tax or any rate resulting from subsequent increases or decreases may not exceed the lesser of:

(1) the maximum rate authorized at the election held under Section .0252; or

(2) a rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district, would result in the maximum combined rate prescribed by Section 321.101(f), Tax Code, at any location in the district.

(e) In determining whether the combined sales and use tax rate under Subsection (d)(2) would exceed the maximum combined rate prescribed by Section 321.101(f), Tax Code, at any location in the district, the board shall include:

(1) any sales and use tax imposed by a political subdivision whose territory overlaps all or part of the district;

(2) any sales and use tax to be imposed by the city or the county as a result of an election held on the same date as the election held under Section .0252; and

(3) any increase to an existing sales and use tax imposed by the city or the county as a result of an election held on the same date as the election held under Section .0252.

(f) If the district adopts a sales and use tax authorized at an election under Section .0252 and subsequently includes new territory in the district, the district:

(1) is not required to hold another election to approve the imposition of the sales and use tax in the included territory;

and

(2) shall impose the sales and use tax in the included territory as provided by Chapter 321, Tax Code.

(g) If the district adopts a sales and use tax authorized at an election held under Section .0252 and subsequently excludes territory in the district under this section, the sales and use tax is inapplicable to the excluded territory as provided by Chapter 321, Tax Code, but is applicable to the territory remaining in the district.

Sec. .0254. NOTIFICATION OF RATE CHANGE. The board shall notify the comptroller of any changes made to the tax rate under this subchapter in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

Sec. .0255. USE OF REVENUE. Revenue from the sales and use tax imposed under this subchapter is for the use and benefit of the district and may be used for any district purpose. The district may pledge all or part of the revenue to the payment of bonds, notes, or other obligations, and that pledge of revenue may be in combination with other revenue, including tax revenue, available to the district.

Sec. .0256. ABOLITION OF TAX. (a) Except as provided by Subsection (b), the board may abolish the tax imposed under this subchapter without an election.

(b) The board may not abolish the tax imposed under this subchapter if the district has any outstanding debt or obligation secured by the tax, and repayment of the debt or obligation would be impaired by the abolition of the tax.

(c) If the board abolishes the tax, the board shall notify the comptroller of that action in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

(d) If the board abolishes the tax or decreases the tax rate to zero, a new election to authorize a sales and use tax must be held under Section .0252 before the district may subsequently impose the tax.

SUBCHAPTER H. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

Sec. .0351. DIVISION OF DISTRICT; PREREQUISITES. (a) The district may be divided into two or more new districts only if the district:

- (1) has never issued any bonds; and
- (2) is not imposing ad valorem taxes.

(b) the board may adopt an order dividing the district before or after the date the board holds an election under Subchapter B to confirm the creation of the district.

Sec. .0352. LAW APPLICABLE TO NEW DISTRICT. This chapter applies to any new district created by division of the

district, and a new district has all the powers and duties of the district.

Sec. .0353. LIMITATION ON AREA OF NEW DISTRICT. A new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act enacting this chapter.

Sec. .0354. DIVISION PROCEDURES. (a) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(b) An order dividing the district must:

(1) name each new district;

(2) include the metes and bounds description of the territory of each new district;

(3) appoint temporary directors for each new district;

and

(4) provide for the division of assets and liabilities between the new districts.

(c) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.

(d) Municipal consent to the creation of the district and to the inclusion of land in the district acts as municipal consent to the creation of any new district created by division of the district and to the inclusion of land in the new district.

Sec. .0355. CONFIRMATION ELECTION FOR NEW DISTRICT.

(a) A new district created by the division of the district shall hold a confirmation and directors' election as required by Subchapter B.

(b) If the creation of the new district is confirmed, the new district shall provide the election date and results to the Texas Commission on Environmental Quality.

Sec. .0356. TAX OR BOND ELECTION. Before a new district created by the division of the district may impose a tax for which an election is required under this chapter for the original district or issue bonds payable wholly or partly from ad valorem taxes, the new district must hold an election as required by this chapter to obtain voter approval.

#### SUBCHAPTER I. DEFINED AREAS

Sec. .0401. AUTHORITY TO ESTABLISH DEFINED AREAS OR DESIGNATED PROPERTY. The district may define areas or designate certain property of the district to pay for improvements, facilities, or services that primarily benefit that area or property and do not generally and directly benefit the district as a whole.



Sec. .0402. PROCEDURE FOR ELECTION. (a) Before the district may impose an ad valorem tax applicable only to the defined area or designated property or issue bonds payable from ad valorem taxes of the defined area or designated property, the board shall hold an election in the defined area or designated property only.

(b) The board may submit the proposition to the voters on the same ballot to be used in another election.

Sec. .0403. DECLARING RESULT AND ISSUING ORDER. (a) If a majority of the voters voting at an election held under Section .0402 approve the proposition or propositions, the board shall declare the results and, by order, shall establish the defined area or designated property and describe it by metes and bounds or designate the specific area or property.

(b) A court may not review the board's order except on the ground of fraud, palpable error, or arbitrary and confiscatory abuse of discretion.

Sec. .0404. TAXES FOR SERVICES, IMPROVEMENTS, AND FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter approval and adoption of an order described by Section .0403, the district may apply separately, differently, equitably, and specifically its taxing power and lien authority to the defined area or designated property to provide money to construct, administer, maintain, and operate services, improvements, and

facilities that primarily benefit the defined area or designated property.

Sec. .0405. ISSUANCE OF BONDS FOR DEFINED AREA OR DESIGNATED PROPERTY. After an order under Section .0403 is adopted, the district may issue bonds to provide for any land, improvements, facilities, plants, equipment, and appliances for the defined area or designated property.

## Appendix B

Senator Paul Bettencourt - SD 7  
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For Immediate Release  
Thursday, February 17, 2022

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**Senator Bettencourt Expands Upon Governor Abbott Setting the May 2022 Election For the Two Property Tax Relief Constitutional Ballot Measures, SJR 2 - 87th Legislature, 2nd Special & SJR 2 - 87th Legislature, 3rd Special**  
Both bills passed unanimously in the Texas Legislature.

Austin, TX – Senator Paul Bettencourt (R-Houston) explains two propositions that will be on the May 2022 ballot across Texas as set by Governor Abbott. Voting for Proposition 1 supports amending the state constitution to authorize the state legislature to reduce the property tax limit for school maintenance and operations taxes imposed on the homesteads of elderly or disabled residents to reflect any tax rate reduction enacted by law from the preceding tax year. The effective date will be January 1, 2023, contingent on voter approval of the constitutional amendment prop 1. Voting for Proposition 2 supports increasing the homestead exemption for school district property taxes from \$25,000 to \$40,000. The effective date will be January 1, 2022, contingent on voter approval of constitutional amendment prop 2.

"Property tax relief has been one of my top priorities since I was elected to the Texas Senate in 2014. These bills will provide over \$600 million in relief per biennium to homeowners for first year homestead exemptions and those over 65 or disabled freeze value. These propositions will be voted on by the public on May 7, 2022," stated Bettencourt.

Proposition 1 ballot title is as follows, "*The constitutional amendment authorizing the legislature to provide for the reduction of the amount of a limitation on the total amount of ad valorem taxes that may be imposed for general elementary and secondary public school purposes on the residence homestead of a person who is elderly or disabled to reflect any statutory reduction from the preceding tax year in the maximum compressed rate of the maintenance and operations taxes imposed for those purposes on the homestead.*" The intent is to give property owners over the age of 65 and or disabled the benefits of the state's compressed tax rate for school maintenance and operations (M&O). If approved by voters, this amendment would reduce the approximate 2 million exemption holders school tax bill, on average, \$110 the first year and by \$124 the second year. If this Constitutional amendment is approved, the provisions of Senate Bill 8 (SB 8) of the 2nd special session would become effective. SB 8 would amend Chapter 48 of the Education Code so that school districts would not lose revenue. The bill would recalculate school district tax limitations (tax ceiling) on residence homesteads for individuals who are over 65 or disabled to reflect reductions in school district maximum compressed tax rates for 2019 and subsequent tax years. School districts, ISDs, would be entitled to additional state aid to the extent state aid under the current formulas does not fully reimburse them for the tax revenue losses.

"People see the need for property tax relief. On behalf of the 4.5 million homeowners of Texas, I want to thank Lieutenant Governor Patrick for making these Senate bills a priority," said Bettencourt.

Proposition 2 ballot titles is as follows, "*The constitutional amendment increasing the amount of the residence homestead exemption from ad valorem taxation for public school purposes from \$25,000 to \$40,000.*" The intent is to help homeowners by increasing the homestead exemption amount by \$15,000 per year. The average homeowner will pay \$180 less in school property taxes using the statewide average rate of \$1.21/\$100 of value as a result. This amendment would raise the homestead property tax exemption from \$25,000 to \$40,000. This amendment, if approved by voters, would amend the Tax Code to increase the mandatory homestead exemption for ISDs. This proposition would amend the Education Code to entitle school districts to additional state aid to the extent that a district's combined state and local revenue used to service eligible debt after the homestead exemption increase would be less than the state and local revenue that would have been available for debt service had the homestead exemption not increased.

Senator Bettencourt appreciated working with the House Ways and Means Chairman, Representative Morgan Meyer, for his support as House Sponsor of both sets of bills.

###

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Thursday, May 5, 2022



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**Public to Vote on Constitutional Amendment Propositions 1 and 2 on Saturday, May 7, 2022**  
Texans have the chance to vote on Property Tax relief measures

Austin, TX – Senator Paul Bettencourt (R-Houston) encourages Texans statewide to get out and vote in the Constitutional Amendment Election on election day, May 7, 2022. In the Legislative Special Sessions of 2021, both propositions passed by unanimous votes as SJR 2. Below are some plain language talking points to answer many of the frequently asked questions regarding both propositions. The election will be held this Saturday, May 7, 2022 statewide.

"Homeowners over the age of 65 will see their (freeze values) in ISD property tax bills actually decline if Proposition 1 passes starting in 2023. For millions of other Texans, Proposition 2 if passed will lower independent school district property tax bills by increasing the homestead exemption \$15,000, which will save \$175 a year per homestead," stated Senator Bettencourt.

**Proposition 1 will benefit individuals with an over 65 or disabled exemption on their homestead.**

- If an individual has an over 65/disabled exemption on their home and this proposition passes, they will receive a reduction on school district property taxes.
- HB 3 from the 86th Legislature compressed school maintenance and operation tax rates across the board except for over 65/disabled because their rate was already lower than the new compressed rate for everyone else.
- This amendment will provide for the same percentage reduction in an individual's school district tax rate that everyone else received in 2019.
- There are 1.8 million over 65 exemptions and 180,000 disabled exemptions, on average these households will see a \$110 reduction the first year and \$125 reduction in the second year; the reduction will continue to grow each year.
- If there is additional school M&O tax rate compression provided by HB 3 in the future, individuals with an over 65/disabled exemption will receive the same percentage tax rate deduction automatically, if this amendment passes.
- This amendment will become effective as of January 1, 2023, if it passes.

**Proposition 2 will increase the homestead exemption by \$15,000.**

- If this amendment passes, the state homestead exemption for school district taxable value purposes will increase from \$25,000 to \$40,000.
- On average, the 5.67 million homesteads in Texas will see a \$175 savings in their school district tax bill at the current average statewide school property tax rate.
- This amendment will be effective as of January 1, 2022, if it passes, so homeowners will see the savings when they receive their property tax bill this fall.
- This exemption increase is a permanent and ongoing benefit to homeowners.
- Because of the complexity of the over 65 and disabled exemptions, some homeowners with the over 65 or disabled exemptions won't see the full benefits until additional legislative action is taken in 2023.

If one or both of these amendments passes, no school district will lose any revenue they are entitled to receive from the school funding formulas. State dollars will replace any local dollars that a school district would otherwise lose from the passage of these Constitutional Amendments.

"The polls are open from 7AM to 7PM on Saturday, May 7, 2022, across the great state of Texas," concluded Senator Bettencourt.

####

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For Immediate Release  
Monday, August 22, 2022

UPDATED



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**Inflation is up, but Homestead ISD Tax Bills are Not! Over 3.5 Million should see savings this Fall**  
**Senator Bettencourt calls on Cities and Counties to adopt the No-New-Revenue-Rate this Fall**  
**Taxpayers should visit the State's New Tax Portal to get their Estimated Property Tax Bill**

**Austin, TX** – Senator Paul Bettencourt (R-Houston) announces that while the current National inflation rate is 8.6%, millions of under-65 Texas Homesteads should see their Independent School District (ISD) tax bills cut this Fall **"as we will see nearly \$500 of property tax relief on their property tax bill which will yield a real cut on the average ISD school tax bill for 3.5 Million Texans!"**, said Senator Bettencourt. In May of this year, Texas' Voters overwhelmingly approved Propositions 1 and 2, which provided direct tax cuts to homeowners with homestead tax bills in 2022 and 2023. 2.1 Million over-65 or disabled homeowners will receive the overall benefits of the state's compressed property tax rate for school maintenance and operations (M&O) in 2023. Proposition 2 increased the statewide school homestead exemption from \$25,000 to \$40,000, meaning that over 3.5 million under-65 homestead homeowners will receive this tax cut this year. My Senate office calculations indicate an actual cut of \$44 on average for an average \$301,000 taxable homestead in Texas despite massive appraised value increases across the state. This average is based upon statewide TEA data for every school district, and my offices' analysis of the top 25 ISDs showed a range of cuts from \$107 to \$8. These calculated cuts comes before Cities and Counties set their tax rates in the Fall, which could save the average taxpayer hundreds of more dollars on their tax bills.

**"The Cavalry is coming over the Hill for Texas Homesteads in the Fall, just like in an old John Wayne movie!"** said Senator Paul Bettencourt. **"Because of the passage of Prop 1 and 2 in May, 3.5 Million homesteads will on average pay less on their school tax bills this year than they did last year. Over-65 homeowners are frozen this year, but will get an actual property tax cut in 2023, too."** He added.

Property Appraisals are rising amidst a booming Texas economy, but taxpayers can be assured that property tax rates are on the way down to offset these increases. This is attributed to the significant reforms contained in SB 2 and HB 3 that the legislature passed in 2019, and the additional property tax legislation that was passed in 2021. In fact there are 16 cents of property tax relief, overall a \$482 savings compared to last year's tax rate.

TAX BILL EXAMPLE									
	Homestead Taxable Value*	ISD Tax Rate	County Tax Rate	City Tax Rate	ISD Tax Bill	County Tax Bill	City Tax Bill	SPD Tax Bill	Total Tax Bill
Last year	\$ 285,000	\$ 1.23	\$ 0.37	\$ 0.46	\$ 3,506	\$1,055	\$1,311	\$ 538	\$ 6,409
This year	\$ 301,000	\$ 1.15	\$ 0.33	\$ 0.42	\$ 3,462	\$ 993	\$1,264	\$ 590	\$ 6,309
		\$ (0.08)	\$ (0.04)	\$ (0.04)	\$ (44)	\$ (61)	\$ (47)	\$ 52	\$ (100)

\*This example is for an under 65 homestead with a 10% appraisal cap and \$40,000 ISD homestead exemption this year.

**"Lawmakers have given property owners valuable protections against rising tax bills in this red hot real estate market, but there is no substitute for vigilance. Taxpayers must be prepared to weigh in with their local taxing jurisdictions if they believe tax rates are too high,"** stated Dale Craymer, President of Texas Taxpayers and Research Association. Note: TTARA supplied county and city penny rate reduction estimates.

The no-new-revenue-rate is the rate that provides the same amount of money to a taxing entity this year as last year. As Texans are having to be extra careful with their dollars due to very high inflation, government entities should be doing the same thing or go to the voters for adoption. **"I am calling on all Cities and Counties to adopt the no-new-revenue-rate. it will save the taxpayers' money!"** concluded Senator Bettencourt.

To check on your property tax bill, please visit the Texas property tax database. Click below:  
[www.texas.gov/living-in-texas/property-tax-directory/](http://www.texas.gov/living-in-texas/property-tax-directory/)

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Senator Paul Bettencourt - SD 7  
State Capitol, Austin, Texas

For Immediate Release  
Thursday, September 1, 2022

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**Sen. Paul Bettencourt Sounds the Taxpayer Alarm as ISDs have TREs to Raise Property Tax Rate!  
Tax Ratification Elections (TREs) if passed by voters will wipeout state mandated M&O property tax relief**

**Austin, TX** – Senator Paul Bettencourt (R-Houston) is sounding the Taxpayer Alarm that local school boards have scheduled tax ratification elections (TREs) that, if passed by the voters, will wipeout state mandated maintenance and operation (M&O) property tax relief in their districts. Taxpayers should be alerted that passage of a TRE means they could pay the same property tax rate as they did last year and not get any, ZERO, property tax relief as a result. For example, Katy ISD, Fort Bend ISD, and Beaumont ISD are all asking voters for TREs in November, but *the net effect of this is a tax bill increase*. With the tax rate the same as last year; taxpayers will have to pay the full amount of their appraised value increases, unless capped as a homestead at 10%.

"Even though the state is buying down the M&O tax rates all over the state, individual school districts may be absorbing that decreased rate. In a year of record appraisal increases, to have a TRE in November it is a really bad deal for Taxpayers if it passes," he added. "These TREs would take the tax rate right back up to the same rate as last years, with Taxpayers incredibly unhappy with the results!" Here are three examples to consider.

Katy ISD's M&O rate is being compressed by .0469 pennies due to HB 3 compression. The Katy ISD School Board is asking voters to approve a TRE for .0469 pennies to be added to their Tier 2 Enrichment funding, so the total M&O rate will stay the same this year as last year. This will provide Katy ISD with an additional \$23 million plus another \$1.9 million from the state. The owner of an average \$301k home would pay an additional \$141.17 in school taxes next year if the Katy ISD TRE is approved by voters.

A similar situation is taking place in Ft. Bend ISD. Ft. Bend ISD's M&O compression is .06 pennies, and they are reducing their debt rate by .02 pennies. They could have approved a .04 penny debt rate reduction but only did half that amount. However, they are asking voters to approve a .0731 penny TRE. If the Ft. Bend ISD TRE is approved by voters, the owner of an average \$301k home will pay \$220.03 more in school taxes.

In Beaumont ISD, M&O rates are set to compress by .0295 pennies. The Board has voted to hold a TRE to increase the Tier 2 tax rate from the current .05 pennies to .0795 pennies. If the TRE is approved by the voters, the additional .0295 pennies will cost the owner of an average \$301k home in Beaumont an additional \$88.80 more.

"I'm hitting the alarm button on that because the Texas Taxpayer should be making that decision fully informed," said Senator Bettencourt. "This was not the spirit, nor the intent, or the expectation of passing property tax relief as these three examples show nearly \$100 or more than \$200 of higher tax bills."

Taxpayers must stay vigilant and be aware of any taxing unit that may be trying to short-circuit their property tax relief. "The bottom line is this: if there are ZERO tax rate cuts in any district, there is no tax relief for the hard-pressed Texas Taxpayers there! Because there is no central database collection of these elections this could be happening all over the state," concluded Senator Bettencourt.

To check on your property tax bills and the property tax rate setting process click on this website:  
[www.texas.gov/living-in-texas/property-tax-directory/](http://www.texas.gov/living-in-texas/property-tax-directory/)

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For Immediate Release  
Tuesday, September 27, 2022

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**Senator Bettencourt says Harris County gets more Property Tax Revenue in 2022 and No "Deficit"**  
*Senate District 7 Analysis contradicts Judge Hidalgo's Tweet*

**Houston, TX** – As the principal author of Senate Bill 2, Senator Paul Bettencourt (R-Houston) weighs in on the use of the no-new-revenue-tax-rate and what it means to county property tax revenues. The no-new-revenue-tax-rate means no growth on last year's 2021 property tax levy, but allows for new growth of 72 million dollars for all four taxing units set by the Harris County Commissioners Court. Judge Hidalgo tweeted about a 45 million 'deficit' in the Hospital District.

**"Despite a record potential 245 million dollar savings to Harris County Taxpayers, Judge Hidalgo is trying to blame property tax rates for a supposed 45 million dollar 'deficit' in the Harris County Hospital District,"** said Senator Bettencourt. **"The truth is the Hospital District will receive an estimated 20 million MORE property tax revenue dollars in 2022 than in 2021 using the no-new-revenue-tax-rate."**

The chart below shows the estimated property tax levies in 2021 and the effect of using the no-new-revenue-tax-rate in 2022, if mailed out on property tax bills this fall.

**How much more Property Tax Revenue is Harris County getting in 2022 vs 2021?**

**Analysis of estimated higher property tax revenues using the no-new-revenue-tax-rate by SD7**

County Fund	2021 Adjusted Taxable Value	2021 Tax Rate	2021 Total Levy	2022 Adjusted Taxable Value	2022 No-New-Revenue (NNR) Tax Rate	2022 NNRTR Levy	Levy Difference: 2022 NNR Levy - 2021 Total Levy
Harris Co.	507,495,859,234	0.37693	\$ 1,912,904,142.21	569,649,423,217	0.34417	\$ 1,960,562,419.89	\$ 47,658,277.68
Harris Co. Flood Control	499,461,496,872	0.03349	\$ 167,269,655.30	558,516,725,073	0.0306	\$ 170,906,117.87	\$ 3,636,462.57
Harris Co. Hospital Dist.	501,196,841,956	0.16221	\$ 812,991,397.34	560,011,259,652	0.14876	\$ 833,072,749.86	\$ 20,081,352.52
Port Authority of Houston	501,063,568,374	0.00872	\$ 43,692,743.16	559,970,794,215	0.00802	\$ 44,909,657.70	\$ 1,216,914.53
<b>TOTAL</b>		<b>0.58135</b>	<b>\$ 2,936,857,938.01</b>		<b>0.53155</b>	<b>\$ 3,009,450,945.31</b>	<b>\$ 72,593,007.30</b>

Calculations provided by Senate District 7 Office

Therefore, the four county tax units are getting a total of 72.6 million more dollars of estimated new revenue, and it is simply not a 'deficit' anywhere! Also, Harris County has a 1.3 billion dollars unexpended balance plus the Hospital District has 1.1 billion dollars in unrestricted funds according to the February 28, 2022 Comprehensive Annual Financial Report (CAFR) actual references.

**"If Judge Hidalgo is wondering about combined county account balances of 2.4 billion dollars in unexpended balances, what 'deficit' can't be funded?"** Senator Bettencourt concluded. **"This must be a spending problem not a revenue problem, and Judge Hidalgo shouldn't be twisting the truth."**

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For Immediate Release  
Monday, October 17, 2022



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**Senator Bettencourt says Record Property Tax Relief at risk in County Budget battles**  
*As appraisal values skyrocket to new highs, Property Tax Rates must come down!*

Houston, TX – Senator Paul Bettencourt (R- Houston) lauds Harris County Commissioners Jack Cagle and Tom Ramsey as they take a proactive stance using the No-New-Revenue Tax Rate (NNR) to deliver a quarter of a billion dollars of property tax relief. This county budget fight has important consequences for taxpayers because if the higher tax rate is adopted a 10.8% more property taxes will be levied on all Harris County taxpayers. Given the public's ever increasing focus on the economy and inflation, a double-digit tax increase would not be welcomed by taxpayers in Harris County, Brazos County, or anywhere else!

"Basically, by proactively standing up for taxpayers, Commissioner Cagle and Ramsey are keeping them from being walloped by a proposed 10.8% property tax increase the Harris County Commissioners court," Senator Bettencourt said. "Commissioners Ford and Aldrich in Brazos County are also trying to prevent a double-digit increase from impacting their taxpayers. The "why" is simple! Taxpayers are very worried about their bottom line in 2022, as inflation drags down the economy.

"They don't need spiraling Property Tax bills," he said.

This would be historic property tax relief of \$245 million per the outline chart. The No-New-Revenue tax rate allows for the same tax levy from last year's tax roll plus new growth of 72 million dollars. The best deal for taxpayers in these situations is the No-New-Revenue Tax Rate. See chart below.

County Fund	2022 Adjusted Taxable Value	2022 No-New-Revenue (NNR) Tax Rate	2022 Proposed Tax Rate	Rate Difference	Levy Difference Proposed Tax Rate v. NNR Tax Rate
Harris Co.	\$ 569,649,423,217.00	0.34417	0.36035	0.01618	\$ 92,169,276.68
Harris Co. Flood Control	\$ 558,516,725,073.00	0.0306	0.03476	0.00416	\$ 23,234,295.76
Harris Co. Hospital Dist.	\$ 560,011,259,652.00	0.14876	0.17253	0.02377	\$ 133,114,676.42
Port Authority of Houston	\$ 559,970,794,215.00	0.00802	0.00744	-0.00058	\$ (3,247,830.61)
<b>TOTAL</b>		<b>0.53155</b>	<b>0.57508</b>	<b>0.04353</b>	<b>\$ 245,270,418.25</b>
Calculations provided by Senate District 7 Office					

"It takes the leadership of two Commissioners to take a proactive stance to get relief to taxpayers. Also, Harris County had \$1.3 billion dollars of unincumbered budget reserved along with \$1.1 billion dollars in the Hospital District as of the beginning of the fiscal year. This is the same issue in Brazos County as they have nearly 93 million dollars of operation reserves. You shouldn't plaster the taxpayers when you're sitting on huge governmental coffers!" concluded Senator Bettencourt.

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 Tuesday, October 25, 2022



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**Discussion over...Harris County Taxpayers Win! A quarter billion dollars saved for Taxpayers on Property Tax Bill**

*Proactive stance by Commissioners Cagle and Ramsey forces adoption of the No-New-Revenue Tax Rate saves taxpayers money but leaves county with \$72 million more in new revenues!*

**Houston, TX** – Harris County held property tax hearings for its four taxing jurisdictions for the final time today, Harris County, Harris County Flood Control, Hospital District, and the Port Authority of Houston, but did not have the required four Commissioners present to adopt a rate above the no-new-revenue-tax-rate (SB2, 2019). As a result, the following estimated chart by Senator Paul Bettencourt's (R- Houston) office implies that taxpayers will save approximately a quarter billion dollars, with the county receiving 72 million dollars for new growth.

County Fund	2022 Adjusted Taxable Value	2022 No-New-Revenue (NNR) Tax Rate	2022 Proposed Tax Rate	Rate Difference	Levy Difference Proposed Tax Rate v. NNR Tax Rate
Harris Co.	\$ 569,649,423,217.00	0.34417	0.36035	0.01618	\$ 92,169,276.68
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Port Authority of Houston	\$ 559,970,794,215.00	0.00802	0.00744	-0.00058	\$ (3,247,830.61)
<b>TOTAL</b>		<b>0.53155</b>	<b>0.57508</b>	<b>0.04353</b>	<b>\$ 245,270,418.25</b>

Calculations provided by Senate District 7 Office

"The three member majority on the Commissioners court has finally recognized the obvious that without another member, SB2's no-new-revenue tax rate will be adopted for all Harris County tax jurisdictions. The result is a record property tax savings of a quarter billion dollars for Harris County taxpayers," said Senator Bettencourt.

He added, "Claims of property tax revenue cuts are not valid as the no-new-revenue-tax-rate leaves new growth of 72 million dollars for all the taxing units involved... Discussion over, Taxpayers win!" Senator Bettencourt concludes.

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Senator Paul Bettencourt - SD 7  
State Capitol, Austin, Texas

**For Immediate Release**  
Wednesday, November 9, 2022

**State of Texas  
Texas Senate**



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**Senator Bettencourt applauds voters rejecting Katy ISD & Fort Bend ISDs TREs on the Ballot**  
*Taxpayers listened to Senator Bettencourt's ask and chose wisely keeping their desperately needed property tax ISD relief*

**Houston, TX** – Senator Paul Bettencourt (R- Houston) responds to Texas taxpayers in Katy ISD and Fort Bend ISD voting down the Tax Ratification Elections (TREs) in yesterday's November 8th election. The TREs, if passed, would have wiped out the state mandated maintenance and operation (M&O) property tax relief in their districts and netted in a tax increase.

"I sounded the taxpayer alarm and made calls to taxpayers to tell them the facts of these proposals and asked them to choose wisely, which they did," Senator Bettencourt said. "I hope to never see another school board put on a TRE that tries to confuse taxpayers with the exact same rate as last year to four decimal places ever again! Katy ISD and Fort Bend ISD taxpayers understood this 'stunt' and voted to keep their State funded M&O property tax rate relief on their property tax bills." He concluded.

Provided is [Katy ISD](#) and [Fort Bend ISDs](#) unofficial election results.

Katy ISD TRE	For 45.76%	Against 54.24%
Fort Bend ISD TRE	For 45.99%	Against 54.01%

Click on the link for a previous press release from Senator Bettencourt [sounding the Taxpayer Alarm informing voters on TRE's and the potential wipeout of Property Tax Rate savings!](#)

#####

# Senator Paul Bettencourt

## Property Tax Press Conference



December 20, 2022  
Houston District Office

Commissioner Tom Ramsey (Harris County Precinct 3)  
Trustee Bridget Wade (Houston Independent School District VII)  
Trustee Kendall Baker (Houston Independent School District VI)  
Houston City Council Member Mike Knox (At-Large Position 1)  
Trustee Robert Glaser (Houston Community College, District V)

### How did we get here...

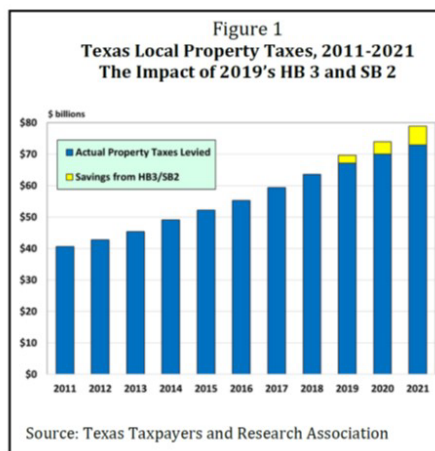
In 2015, Lieutenant Governor Dan Patrick formed the **Senate Select Committee on Property Tax Reform and Relief**. The Committee took over 50 hours of testimony during eight hearings in seven cities, hearing from over 320 witnesses. Paramount in the Committee's findings was that city and county property taxes in Texas had increased between 2.5 and 3 times faster than median household income between 2005 and 2015.

In 2019, property taxpayers achieved significant victories with the passage of **Senate Bill 2**, which passed with the bipartisan support of both legislative chambers and was the first successful effort to reduce the rollback rate in 38 years. Senate Bill 2 reduced the Voter-Approval (formerly Rollback) Tax Rate from 8% to 3.5% for most counties and municipalities. In the same legislative session, the Legislature passed **House Bill 3** to address rising independent school district (ISD) tax rates.

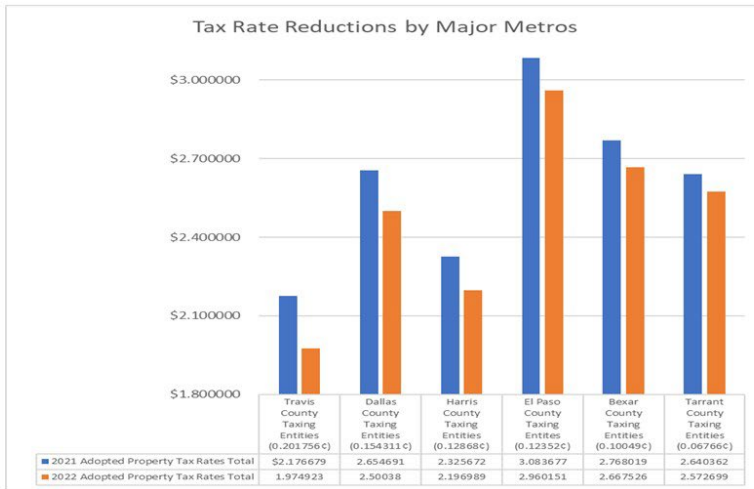
Following the 86th Legislative Session, in March of 2020, the world began experiencing the worst global pandemic in a century - the effects of which are still very much being felt in many parts of the economy today. The pandemic created new and unanticipated challenges to fully implementing Senate Bill 2. Provisions of the law intended to provide taxing units with tools to weather events that cause mass property damage were utilized by some taxing units as a means of undermining the reforms made in Senate Bill 2. This disaster loophole was closed in the 2021 Legislative Session with the passage of **Senate Bill 1438**.

The passage of **Senate Bill 2** and **House Bill 3** marked significant victories for taxpayers in controlling the growth of property tax bills and compressing property tax rates. In their April 2022 report, 'Relief from Rising Values,' The Texas Taxpayers and Research Association (TTARA) estimates the combined effects of the two bills have **saved taxpayers \$6 billion in 2021**.

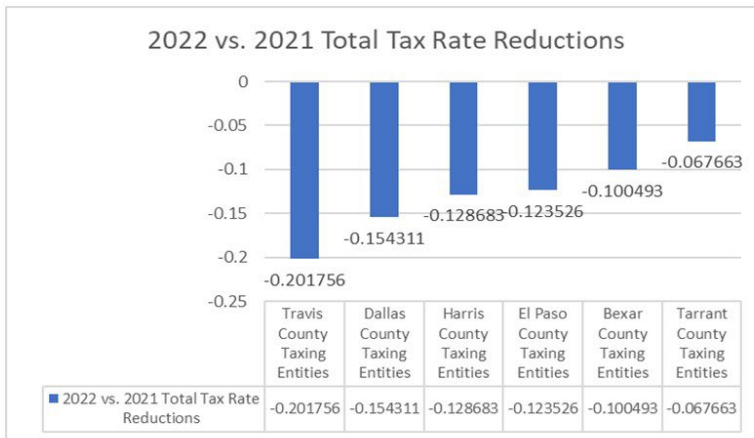
The 87th Legislature remained committed to delivering meaningful property tax relief. The Legislature passed **Senate Bill 8** in the second called special session, which provides homestead exemptions to first time homebuyers on the date they purchase the home. In the third and final called special session, the Legislature passed **constitutional amendments** to increase the residence homestead exemption from **\$25,000 to \$40,000** and to provide **HB 3 property tax compression to over-65 and disabled homestead properties**. In May 2022, voters overwhelmingly approved both constitutional amendments.



Senator Paul Bettencourt  
Senate District 7



Senator Paul Bettencourt  
Senate District 7



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Senate District 7

	2021 Average Homestead Taxable Value	2021 Adopted Property Tax Rate	Estimated 2021 Property Tax Bill
Harris County	\$183,228	0.376930	\$690.64
Harris County Flood Control	\$183,228	0.033490	\$61.36
Port of Houston Authority	\$183,228	0.008720	\$15.98
Harris County Hospital District	\$183,228	0.162210	\$297.21
City of Houston	\$215,149	0.550830	\$1,185.11
Houston ISD	\$274,914	1.094400	\$3,008.66
Houston Community College	\$265,548	0.099092	\$263.14
<b>Total</b>		<b>2.325672</b>	<b>\$5,522.10</b>

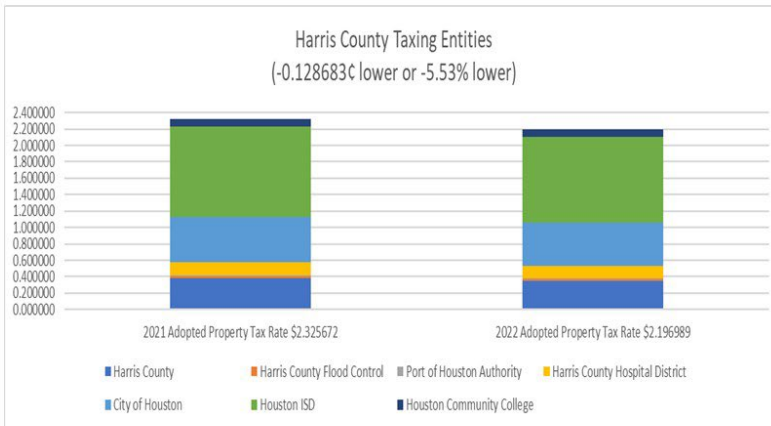
### Harris County Taxing Entities

Note: Calculations do not include an estimate of homestead tax savings from Senate Bill 8 (Bettencourt, et al.), 87(2). Senate District 7 Office estimates the tax savings attributable to SB 8 exceed \$20 per average Harris County homestead. These savings are anticipated on later tax roll revisions as first-time partial homestead exemptions are updated to the Harris County tax roll.



Senator Paul Bettencourt  
Senate District 7

	2022 Average Homestead Taxable Value	2022 Adopted Property Tax Rate	Estimated 2022 Property Tax Bill	% Change from 2021 Property Tax Bill
Harris County	\$201,039	0.343730	\$691.03	0.0006
Harris County Flood Control	\$201,039	0.030550	\$61.42	0.0009
Port of Houston Authority	\$201,039	0.007990	\$16.06	0.0054
Harris County Hospital District	\$201,039	0.148310	\$298.16	0.0032
City of Houston	\$221,730	0.533640	\$1,183.24	(0.0016)
Houston ISD	\$283,930	1.037200	\$2,944.92	(0.0212)
Houston Community College	\$288,907	0.095569	\$276.11	0.0493
<b>Total</b>		<b>2.196989</b>	<b>\$5,470.94</b>	<b>(0.0093)</b>
		<b>Difference</b>	<b>-\$51.16</b>	



Senator Paul Bettencourt  
Senate District 7

	2021 Average Homestead Taxable Value	2021 Adopted Property Tax Rate	Estimated 2021 Property Tax Bill
Travis County	\$381,431	0.357365	\$1,363.10
Travis County Healthcare District	\$381,431	0.111814	\$426.49
City of Austin	\$384,544	0.541000	\$2,080.38
Austin ISD	\$468,590	1.061700	\$4,975.02
Austin Community College	\$460,717	0.104800	\$482.83
<b>Total</b>		<b>2.176679</b>	<b>\$9,327.83</b>

### Travis County Taxing Entities

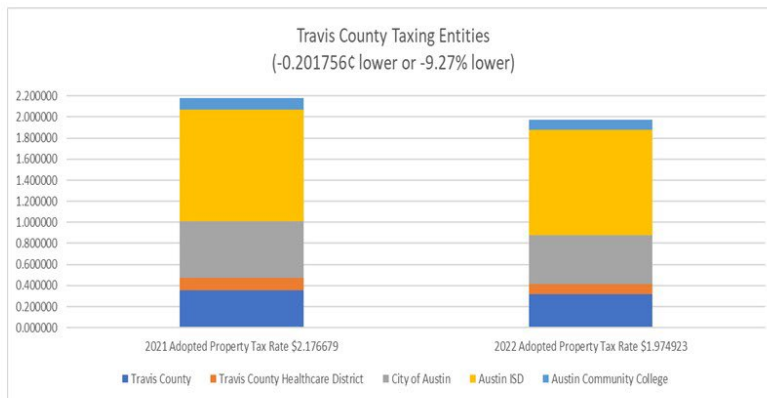
	2022 Average Homestead Taxable Value - 10% Homestead Limitation	2022 Adopted Property Tax Rate	Estimated 2022 Property Tax Bill - 10 % Homestead Limitation	% Change from 2021 Property Tax Bill - 10% Homestead Limitation
Travis County	\$419,574	0.318239	\$1,335.25	(0.0204)
Travis County Healthcare District	\$419,574	0.098684	\$414.05	(0.0292)
City of Austin	\$422,998	0.462700	\$1,957.21	(0.0592)
Austin ISD	\$515,449	0.996600	\$5,136.96	0.0326
Austin Community College	\$506,789	0.098700	\$500.20	0.0360
<b>Total</b>		<b>1.974923</b>	<b>\$9,343.68</b>	<b>0.0017</b>

**Difference \$15.85**

Note: Calculations do not include an estimate of homestead tax savings from Senate Bill 8 (Bettencourt, et al.), 87(2).  
Senate District 7 Office estimates the tax savings attributable to SB 8 exceed \$20 per average Travis County homestead.  
These savings are anticipated on later tax roll revisions as first-time partial homestead exemptions are updated to the Travis County tax roll.



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Senate District 7



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Senate District 7

	2021 Average Homestead Taxable Value	2021 Adopted Property Tax Rate	Estimated 2021 Property Tax Bill
El Paso County	\$145,420	0.470181	\$683.74
University Medical Center, El Paso	\$150,420	0.218145	\$328.13
City of El Paso	\$149,407	0.907391	\$1,355.71
El Paso ISD	\$136,154	1.353200	\$1,842.44
El Paso Community College	\$150,420	0.134760	\$202.71
<b>Total</b>		<b>3.083677</b>	<b>\$4,412.72</b>

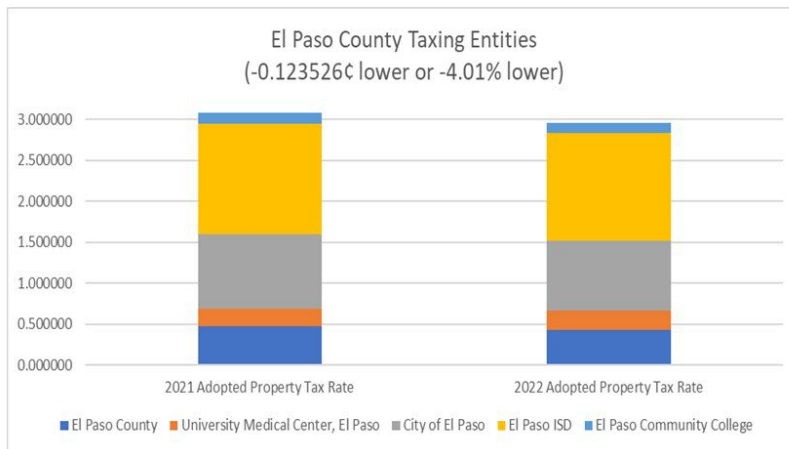
### El Paso County Taxing Entities

Note: Calculations do not include an estimate of homestead tax savings from Senate Bill 8 (Bettencourt, et al.), 87(2). Senate District 7 Office estimates the tax savings attributable to SB 8 exceed \$20 per average El Paso County homestead. These savings are anticipated on later tax roll revisions as first-time partial homestead exemptions are updated to the El Paso County tax roll.

	2022 Average Homestead Taxable Value	2022 Adopted Property Tax Rate	Estimated 2022 Property Tax Bill	% Change from 2021 Property Tax Bill
El Paso County	\$163,195	0.426289	\$695.68	0.0175
University Medical Center, El Paso	\$168,195	0.235153	\$395.52	0.2053
City of El Paso	\$166,823	0.862398	\$1,438.68	0.0612
El Paso ISD	\$137,056	1.313700	\$1,800.50	(0.0228)
El Paso Community College	\$168,195	0.122611	\$206.23	0.0174
<b>Total</b>		<b>2.960151</b>	<b>\$4,536.61</b>	<b>0.0281</b>
		<b>Difference</b>	<b>\$123.89</b>	



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Senate District 7



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## Bexar County Taxing Entities

	2021 Average Homestead Taxable Value	2021 Adopted Property Tax Rate	Estimated 2021 Property Tax Bill
Bexar County	\$243,735	0.299999	\$731.20
University Healthcare System	\$243,735	0.276235	\$673.28
City of San Antonio	\$208,900	0.558270	\$1,166.23
San Antonio ISD	\$120,186	1.491600	\$1,792.69
Alamo Community College District	\$243,735	0.141915	\$345.90
<b>Total</b>		<b>2.768019</b>	<b>\$4,709.30</b>

**NOTES:**

Bexar County Adopted 20% HS Exemption for 2022

City of San Antonio Increased HS exemption from 0.01%(\$5,000) to 10% for 2022 and increased the OV65 from \$65,000 to \$85,000

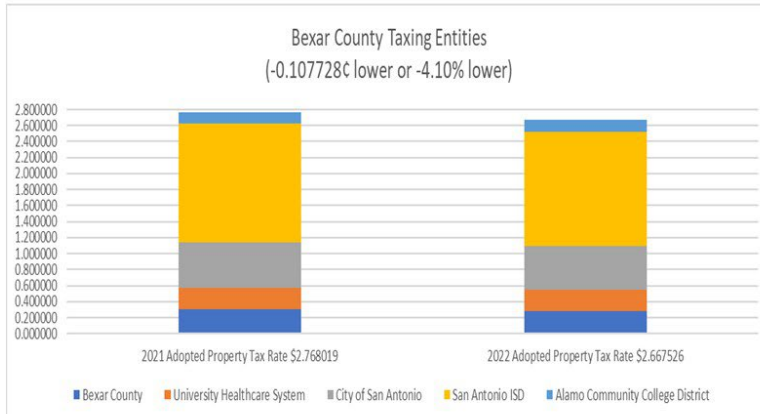
Calculations do not include an estimate of homestead tax savings from Senate Bill 8 (Bettencourt, et al.), 87(2). Senate District 7 Office estimates the tax savings attributable to SB 8 exceed \$20 per average Bexar County homestead. These savings are anticipated on later tax roll revisions as first-time partial homestead exemptions are updated to the Bexar County tax roll.



Senator Paul Bettencourt  
Senate District 7

	2022 Average Homestead Taxable Value	2022 Adopted Property Tax Rate	Estimated 2022 Property Tax Bill	% Change from 2021 Property Tax Bill
Bexar County	\$214,665	0.276331	\$593.19	(0.1888)
University Healthcare System	\$271,290	0.276235	\$749.40	0.1131
City of San Antonio	\$211,454	0.541610	\$1,145.26	(0.0180)
San Antonio ISD	\$122,684	1.424200	\$1,747.27	(0.0253)
Alamo Community College District	\$271,290	0.149150	\$404.63	0.1698
<b>Total</b>		<b>2.518376</b>	<b>\$4,639.73</b>	<b>(0.0148)</b>
		<b>Difference</b>	<b>-\$69.57</b>	

Bexar County Taxing Entities  
(-0.107728c lower or -4.10% lower)



Senator Paul Bettencourt  
Senate District 7



	2021 Average Homestead Taxable Value	2021 Adopted Property Tax Rate	Estimated 2021 Property Tax Bill
Tarrant County	\$252,274	0.229000	\$577.71
Tarrant County Hospital District	\$252,274	0.205492	\$518.40
City of Ft. Worth	\$172,369	0.732500	\$1,262.60
Ft. Worth ISD	\$190,682	1.343200	\$2,561.24
Tarrant County College	\$252,387	0.130170	\$328.53
<b>Total</b>		<b>2.510192</b>	<b>\$4,919.95</b>

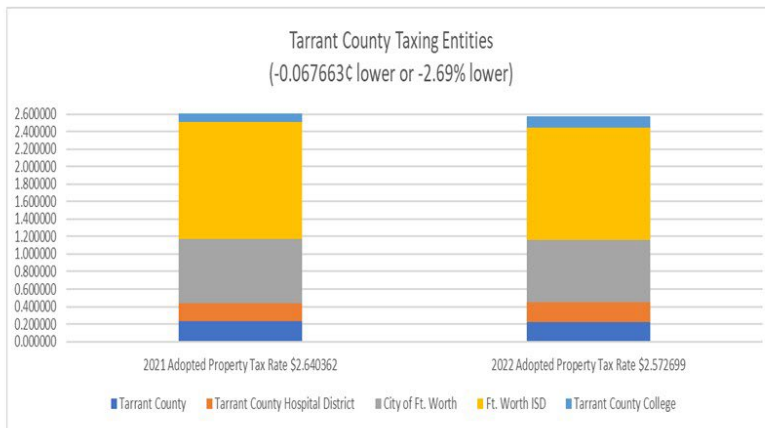
### Tarrant County Taxing Entities

Note: Calculations do not include an estimate of homestead tax savings from Senate Bill 8 (Bettencourt, et al.), 87(2). Senate District 7 Office estimates the tax savings attributable to SB 8 exceed \$20 per average Tarrant homestead. These savings are anticipated on later tax roll revisions as first-time partial homestead exemptions are updated to the Tarrant County tax roll.

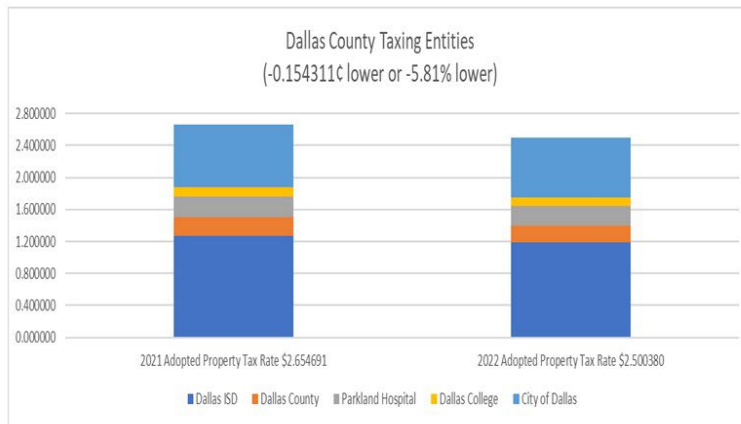


Senator Paul Bettencourt  
Senate District 7

	2022 Average Homestead Taxable Value	2022 Adopted Property Tax Rate	Estimated 2022 Property Tax Bill	% Change from 2021 Property Tax Bill
Tarrant County	\$278,020	0.224000	\$622.76	0.0780
Tarrant County Hospital District	\$278,020	0.224429	\$623.96	0.2036
City of Ft. Worth	\$190,186	0.712500	\$1,355.08	0.0732
Ft. Worth ISD	\$196,281	1.281600	\$2,515.54	(0.0178)
Tarrant County College	\$278,121	0.130170	\$362.03	0.1020
<b>Total</b>		<b>2.442529</b>	<b>\$5,117.33</b>	<b>0.0401</b>
		<b>Difference</b>	<b>\$197.38</b>	



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Senate District 7



**Note: Dallas CAD unable to provide homestead data pursuant to a recent ransomware cyber attack.**



Senator Paul Bettencourt  
Senate District 7

## City of Houston 2022 Tax Rates

ADOPTED TAX RATE \$0.533640 per \$100  
NO-NEW REVENUE TAX RATE \$0.524454 per \$100  
VOTER APPROVAL TAX RATE \$0.546165 per \$100

The no-new-revenue tax rate is the tax rate for the 2022 tax year that will raise the same amount of property tax revenue for City of Houston from the same properties in both the 2021 tax year and the 2022 tax year.

The voter-approval tax rate is the highest tax rate that City of Houston may adopt without holding an election to seek voter approval of the rate.



Senator Paul Bettencourt  
Senate District 7

# Appendix C

## 1. Summary of All Taxing Unit Bond Data

February 28, 2017 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
WD	3	0	3	100.0%	\$ 375,000,000	\$ -	\$ 375,000,000	100.0%
<b>Grand Total</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>100.0%</b>	<b>\$ 375,000,000</b>	<b>\$ -</b>	<b>\$ 375,000,000</b>	<b>100.0%</b>
May 6, 2017 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
CCD	2	0	2	100.0%	\$ 1,050,000,000	\$ -	\$ 1,050,000,000	100.0%
CITY	22	3	25	88.0%	\$ 1,254,170,000	\$ 16,200,000	\$ 1,270,370,000	98.7%
COUNTY	3	1	4	75.0%	\$ 97,850,000	\$ 8,500,000	\$ 106,350,000	92.0%
HHD	1	0	1	100.0%	\$ 13,800,000	\$ -	\$ 13,800,000	100.0%
ISD	49	24	73	67.1%	\$ 4,423,897,500	\$ 1,395,640,000	\$ 5,819,537,500	76.0%
WD	30	2	32	93.8%	\$ 1,570,418,200	\$ 19,860,000	\$ 1,590,278,200	98.8%
<b>Grand Total</b>	<b>107</b>	<b>30</b>	<b>137</b>	<b>78.1%</b>	<b>\$ 8,410,135,700</b>	<b>\$ 1,440,200,000</b>	<b>\$ 9,850,335,700</b>	<b>85.4%</b>
November 7, 2017 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
CCD	0	1	1	0.0%	\$ -	\$ 48,500,000	\$ 48,500,000	0.0%
CITY	45	4	49	91.8%	\$ 2,929,285,000	\$ 72,415,000	\$ 3,001,700,000	97.6%
COUNTY	8	2	10	80.0%	\$ 562,440,000	\$ 145,000,000	\$ 707,440,000	79.5%
HHD	0	1	1	0.0%	\$ -	\$ 7,200,000	\$ 7,200,000	0.0%
ISD	50	19	69	72.5%	\$ 7,380,080,000	\$ 829,585,291	\$ 8,209,665,291	89.9%
WD	48	3	51	96.0%	\$ 3,022,972,500	\$ 20,835,000	\$ 3,043,807,500	99.3%
<b>Grand Total</b>	<b>151</b>	<b>29</b>	<b>180</b>	<b>83.9%</b>	<b>\$ 13,894,777,500</b>	<b>\$ 1,123,535,291</b>	<b>\$ 15,018,312,791</b>	<b>92.5%</b>
May 5, 2018 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
CITY	22	10	32	68.8%	\$ 730,235,000	\$ 158,625,000	\$ 888,860,000	82.2%
ISD	47	17	64	73.4%	\$ 4,473,939,862	\$ 788,470,000	\$ 5,262,409,862	85.0%
WD	29	3	32	90.6%	\$ 2,166,185,000	\$ 207,835,000	\$ 2,374,020,000	91.2%
<b>Grand Total</b>	<b>98</b>	<b>30</b>	<b>128</b>	<b>76.6%</b>	<b>\$ 7,370,359,862</b>	<b>\$ 1,154,950,000</b>	<b>\$ 8,525,309,862</b>	<b>86.5%</b>
July 9, 2018 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
WD	3	0	3	100.0%	\$ 119,145,000	\$ -	\$ 119,145,000	100.0%
<b>Grand Total</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>100.0%</b>	<b>\$ 119,145,000</b>	<b>\$ -</b>	<b>\$ 119,145,000</b>	<b>100.0%</b>
August 25, 2018 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
WD	1	0	1	100.0%	\$ 2,500,000,000	\$ -	\$ 2,500,000,000	100.0%
<b>Grand Total</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>100.0%</b>	<b>\$ 2,500,000,000</b>	<b>\$ -</b>	<b>\$ 2,500,000,000</b>	<b>100.0%</b>
November 6, 2018 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
CCD	1	0	1	100.0%	\$ 162,500,000	\$ -	\$ 162,500,000	100.0%
CITY	49	0	49	100.0%	\$ 1,559,220,000	\$ -	\$ 1,559,220,000	100.0%
COUNTY	5	0	5	100.0%	\$ 817,300,000	\$ -	\$ 817,300,000	100.0%
HHD	1	0	1	100.0%	\$ 800,000,000	\$ -	\$ 800,000,000	100.0%
ISD	48	10	58	82.8%	\$ 5,559,422,797	\$ 205,024,300	\$ 5,764,447,097	96.4%
WD	35	4	39	89.7%	\$ 2,792,474,688	\$ 105,400,000	\$ 2,897,874,688	96.4%
<b>Grand Total</b>	<b>139</b>	<b>14</b>	<b>153</b>	<b>90.8%</b>	<b>\$ 11,690,917,485</b>	<b>\$ 310,424,300</b>	<b>\$ 12,001,341,785</b>	<b>97.4%</b>
May 4, 2019 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
CCD	2	0	2	100.0%	\$ 1,191,206,000	\$ -	\$ 1,191,206,000	100.0%
CITY	39	2	41	95.1%	\$ 1,564,474,000	\$ 30,100,000	\$ 1,594,574,000	98.1%
COUNTY	1	0	1	100.0%	\$ 99,650,000	\$ -	\$ 99,650,000	100.0%
HHD	2	0	2	100.0%	\$ 41,456,000	\$ -	\$ 41,456,000	100.0%
ISD	52	14	66	78.8%	\$ 6,261,230,085	\$ 2,314,940,000	\$ 8,576,170,085	73.0%
WD	51	6	57	89.5%	\$ 3,326,165,000	\$ 217,880,000	\$ 3,544,045,000	93.9%
<b>Grand Total</b>	<b>147</b>	<b>22</b>	<b>169</b>	<b>87.0%</b>	<b>\$ 12,484,181,085</b>	<b>\$ 2,562,920,000</b>	<b>\$ 15,047,101,085</b>	<b>83.0%</b>
May 9, 2019 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
WD	2	0	2	100.0%	\$ 499,500,000	\$ -	\$ 499,500,000	100.0%
<b>Grand Total</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>100.0%</b>	<b>\$ 499,500,000</b>	<b>\$ -</b>	<b>\$ 499,500,000</b>	<b>100.0%</b>
May 15, 2019 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
WD	4	0	4	100.0%	\$ 615,425,000	\$ -	\$ 615,425,000	100.0%
<b>Grand Total</b>	<b>4</b>	<b>0</b>	<b>4</b>	<b>100.0%</b>	<b>\$ 615,425,000</b>	<b>\$ -</b>	<b>\$ 615,425,000</b>	<b>100.0%</b>
May 20, 2019 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
WD	1	0	1	100.0%	\$ 20,800,000	\$ -	\$ 20,800,000	100.0%
<b>Grand Total</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>100.0%</b>	<b>\$ 20,800,000</b>	<b>\$ -</b>	<b>\$ 20,800,000</b>	<b>100.0%</b>
November 5, 2019 Election								
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %
CCD	1	0	1	100.0%	\$ 825,000,000	\$ -	\$ 825,000,000	100.0%
CITY	20	10	30	66.7%	\$ 870,707,652	\$ 35,259,000	\$ 905,966,652	96.1%
COUNTY	6	1	7	85.7%	\$ 698,645,000	\$ 14,000,000	\$ 712,645,000	98.0%
ISD	46	15	61	75.4%	\$ 5,502,990,000	\$ 1,447,744,000	\$ 6,950,734,000	79.2%
OSD	1	0	1	100.0%	\$ 3,500,000,000	\$ -	\$ 3,500,000,000	100.0%
WD	29	3	32	90.6%	\$ 2,451,693,000	\$ 106,148,000	\$ 2,557,841,000	95.9%
<b>Grand Total</b>	<b>103</b>	<b>29</b>	<b>132</b>	<b>78.0%</b>	<b>\$ 13,849,035,652</b>	<b>\$ 1,603,151,000</b>	<b>\$ 15,452,186,652</b>	<b>89.6%</b>

May 2, 2020 Election									
Government Type	Carried	Defeated	Cancelled	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Amount Cancelled	Total Amount
CITY	0	0		7	700.0%	\$ -	\$ -	\$ 62,435,000	\$ 62,435,000
HHD	0	1		0	100.0%	\$ -	\$ 9,000,000	\$ -	\$ 9,000,000
ISD	4	0		9	1300.0%	\$ 282,195,000	\$ -	\$ 495,000,000	\$ 777,195,000
<b>Grand Total</b>	<b>4</b>	<b>1</b>		<b>16</b>	<b>2100.0%</b>	<b>\$ 282,195,000</b>	<b>\$ 9,000,000</b>	<b>\$ 557,435,000</b>	<b>\$ 848,630,000</b>
November 3, 2020 Election									
Government Type	Carried	Defeated	Cancelled	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Amount Cancelled	Total Amount
CCD	0	1		0	100.0%	\$ -	\$ 13,950,000	\$ -	\$ 13,950,000
CITY	17	2		16	3500.0%	\$ 1,074,175,000	\$ 279,750,000	\$ 640,840,000	\$ 1,994,765,000
COUNTY	5	1		0	600.0%	\$ 334,265,000	\$ 17,235,000	\$ -	\$ 351,500,000
ISD	40	27		49	11600.0%	\$ 7,447,272,364	\$ 1,570,737,769	\$ 1,947,789,413	\$ 10,965,799,546
WD	5	0		0	500.0%	\$ 202,400,333	\$ -	\$ -	\$ 202,400,333
<b>Grand Total</b>	<b>67</b>	<b>31</b>		<b>65</b>	<b>16300.0%</b>	<b>\$ 9,058,112,697</b>	<b>\$ 1,881,672,769</b>	<b>\$ 2,588,629,413</b>	<b>\$ 13,528,414,879</b>
May 1, 2021 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
CCD	2	0	2	100.0%	\$ 138,850,000	\$ -	\$ 138,850,000	100.0%	
CITY	51	8	59	86.4%	\$ 1,589,750,000	\$ 58,675,000	\$ 1,648,425,000	96.4%	
COUNTY	0	2	2	0.0%	\$ -	\$ 40,900,000	\$ 40,900,000	0.0%	
ISD	93	20	113	82.3%	\$ 6,467,114,761	\$ 545,470,284	\$ 7,012,585,045	92.2%	
WD	34	6	40	85.0%	\$ 1,295,443,943	\$ 259,009,050	\$ 1,554,452,993	83.3%	
<b>Grand Total</b>	<b>180</b>	<b>36</b>	<b>216</b>	<b>83.3%</b>	<b>\$ 9,491,158,704</b>	<b>\$ 904,054,334</b>	<b>\$ 10,395,213,038</b>	<b>91.3%</b>	
November 2, 2021 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	52	58	110	47.3%	\$ 5,278,369,405	\$ 3,408,500,235	\$ 8,686,869,640	60.8%	
CITY	24	5	29	82.8%	\$ 617,070,000	\$ 189,310,000	\$ 806,380,000	76.5%	
WD	29	0	29	100.0%	\$ 1,811,035,000	\$ -	\$ 1,811,035,000	100.0%	
COUNTY	3	3	6	50.0%	\$ 595,000,000	\$ 203,000,000	\$ 798,000,000	74.6%	
<b>Grand Total</b>	<b>108</b>	<b>66</b>	<b>174</b>	<b>62.1%</b>	<b>\$ 8,301,474,405</b>	<b>\$ 3,800,810,235</b>	<b>\$ 12,102,284,640</b>	<b>68.6%</b>	
May 7, 2022 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	104	103	207	50.2%	\$ 10,444,480,900	\$ 6,207,054,355	\$ 16,651,535,255	62.7%	
CITY	25	16	41	61.0%	\$ 2,167,200,000	\$ 165,085,000	\$ 2,332,285,000	92.9%	
WD	81	33	114	71.1%	\$ 11,249,483,000	\$ 3,812,028,000	\$ 15,061,511,000	74.7%	
<b>Grand Total</b>	<b>210</b>	<b>152</b>	<b>362</b>	<b>58.0%</b>	<b>\$ 23,861,163,900</b>	<b>\$ 10,184,167,355</b>	<b>\$ 34,045,331,255</b>	<b>70.1%</b>	
November 8, 2022 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	80	60	140	57.1%	\$ 12,364,893,157	\$ 3,087,814,969	\$ 15,452,708,126	80.0%	
WD	14	2	16	87.5%	\$ 1,908,265,000	\$ 32,415,000	\$ 1,940,680,000	98.3%	
CITY	36	9	45	80.0%	\$ 2,076,600,000	\$ 232,400,000	\$ 2,309,000,000	89.9%	
COUNTY	8	2	10	80.0%	\$ 2,154,750,000	\$ 21,750,000	\$ 2,176,500,000	99.0%	
CCD	1	0	1	100.0%	\$ 770,000,000	\$ -	\$ 770,000,000	100.0%	
<b>Grand Total</b>	<b>139</b>	<b>73</b>	<b>212</b>	<b>65.6%</b>	<b>\$ 19,274,508,157</b>	<b>\$ 3,374,379,969</b>	<b>\$ 22,648,888,126</b>	<b>85.1%</b>	

## 2. Summary of ISD Bond Data

ISD All Purposes										
May 6, 2017 Election										
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %		
ISD	49	24	73	67.1%	\$ 4,423,897,500	\$ 1,395,640,000	\$ 5,819,537,500	76.0%		
November 7, 2017 Election										
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %		
ISD	50	19	69	72.5%	\$ 7,380,080,000	\$ 829,585,291	\$ 8,209,665,291	89.9%		
May 5, 2018 Election										
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %		
ISD	47	17	64	73.4%	\$ 4,473,939,862	\$ 788,470,000	\$ 5,262,409,862	85.0%		
November 6, 2018 Election										
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %		
ISD	48	10	58	82.8%	\$ 5,559,422,797	\$ 205,024,300	\$ 5,764,447,097	96.4%		
May 4, 2019 Election										
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %		
ISD	52	14	66	78.8%	\$ 6,261,230,085	\$ 2,314,940,000	\$ 8,576,170,085	73.0%		
November 5, 2019 Election										
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %		
ISD	46	15	61	75.4%	\$ 5,502,990,000	\$ 1,447,744,000	\$ 6,950,734,000	79.2%		
May 2, 2020 Election										
Government Type	Carried	Defeated	Cancelled	Total Propositions	Propositions Carried % (Not Cancelled)	Amount Carried	Amount Defeated	Amount Cancelled	Total Amount	Amount Carried % (Not Cancelled)
ISD	4	0	9	13	100.0%	\$ 282,195,000	\$ -	\$ 495,000,000	\$ 777,195,000	100.0%
November 3, 2020 Election										
Government Type	Carried	Defeated	Cancelled	Total Propositions	Propositions Carried % (Not Cancelled)	Amount Carried	Amount Defeated	Amount Cancelled	Total Amount	Amount Carried % (Not Cancelled)
ISD	40	27	49	116	59.7%	\$ 7,447,272,364	\$ 1,570,737,769	\$ 1,947,789,413	\$ 10,965,799,546	82.6%
May 1, 2021 Election										
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %		
ISD	93	20	113	82.3%	\$ 6,467,114,761	\$ 545,470,284	\$ 7,012,585,045	92.2%		
November 2, 2021 Election										
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %		
ISD	52	58	110	47.3%	\$ 5,278,369,405	\$ 3,408,500,235	\$ 8,686,869,640	60.8%		
May 7, 2022 Election										
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %		
ISD	104	103	207	50.2%	\$ 10,444,480,900	\$ 6,207,054,355	\$ 16,651,535,255	62.7%		
November 8, 2022 Election										
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %		
ISD	80	60	140	57.1%	\$ 12,364,893,157	\$ 3,087,814,969	\$ 15,452,708,126	80.0%		

### 3. Extracurricular Purpose ISD Bonds

ISD extracurricular purpose of athletic facility, stadium, recreation, natatorium, performing arts center, sports complex, fine arts venue, etc.

May 6, 2017 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	9	9	18	50.0%	\$ 659,887,500	\$ 736,640,000	\$ 1,396,527,500	47.3%	
November 7, 2017 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	2	7	9	22.2%	\$ 290,000,000	\$ 49,769,000	\$ 339,769,000	85.4%	
May 5, 2018 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	11	6	17	64.7%	\$ 741,630,000	\$ 476,540,000	\$ 1,218,170,000	60.9%	
November 6, 2018 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	1	4	5	20.0%	\$ 15,500,000	\$ 61,090,000	\$ 76,590,000	20.2%	
May 4, 2019 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	7	2	9	77.8%	\$ 216,835,000	\$ 438,800,000	\$ 655,635,000	33.1%	
November 5, 2019 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	4	3	7	57.1%	\$ 216,500,000	\$ 109,820,000	\$ 326,320,000	66.3%	
May 2, 2020 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	3	0	3	100.0%	\$ 4,695,000,000	\$ -	\$ 4,695,000	100.0%	
November 3, 2020 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	5	17	22	22.7%	\$ 36,471,000.00	\$ 453,160,769	\$ 489,631,769	7.4%	
May 1, 2021 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	33	10	43	76.7%	\$ 1,118,473,610	\$ 64,327,686	\$ 1,182,801,296	94.6%	
November 2, 2021 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	15	29	44	34.1%	\$ 246,831,545	\$ 767,109,418	\$ 1,013,940,963	24.3%	
May 7, 2022 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	38	51	89	42.7%	\$ 1,311,414,200	\$ 1,464,571,501	\$ 2,775,985,701	47.2%	
November 8, 2022 Election									
Government Type	Carried	Defeated	Total Propositions	Propositions Carried %	Amount Carried	Amount Defeated	Total Amount	Amount Carried %	
ISD	21	27	48	43.8%	\$ 1,476,171,944	\$ 697,475,949	\$ 2,173,647,893	67.9%	

## 4. List of Defeated Extracurricular Purpose ISD Bonds

Government	Governmentname	County	ElectionDate	propnumb	result	VotesFor	VotesAgain	Amount	Purpose	PurposeDescription
ISD	Anna ISD	Collin	11/8/2022	2	Defeated	3,036	3,769	\$80,000,000	Other	Stadium
ISD	Birdville ISD	Tarrant	11/8/2022	3	Defeated	19,062	21,205	\$59,000,000	Building	Multi-Purpose Center
ISD	Blackwell CISD	Nolan	11/8/2022	2	Defeated	19	27	\$2,700,000	Other	Athletic Facilities Improvements
ISD	Brock ISD	Parker	11/8/2022	2	Defeated	1,373	2,356	\$18,300,000	Building	Multi-Purpose Center
ISD	Brock ISD	Parker	11/8/2022	3	Defeated	1,375	2,353	\$700,000	Other	Athletic Facilities Improvements
ISD	Cedar Hill ISD	Dallas	11/8/2022	3	Defeated	4,332	6,834	\$3,420,000	Other	Athletic Facilities Improvements
ISD	Coahoma ISD	Howard	11/8/2022	2	Defeated	463	679	\$4,045,000	Building	Multi-Purpose Center
ISD	Corrigan-Camden ISD	Polk	11/8/2022	2	Defeated	12	13	\$3,675,200	Other	Athletic Facilities Improvements
ISD	Ferris ISD	Ellis	11/8/2022	2	Defeated	1,186	1,387	\$8,000,000	Building	Educational Center
ISD	Ferris ISD	Ellis	11/8/2022	3	Defeated	906	1,660	\$4,500,000	Other	Athletic Facilities Improvements
ISD	Gregory-Portland ISD	San Patricio	11/8/2022	2	Defeated	2,726	3,371	\$43,391,906	Other	Athletic Facilities Improvements
ISD	Gregory-Portland ISD	San Patricio	11/8/2022	3	Defeated	2,974	3,121	\$53,590,000	Other	Performing Arts
ISD	Kaufman ISD	Kaufman	11/8/2022	2	Defeated	1,926	3,011	\$12,500,000	Other	Athletic Facilities Improvements
ISD	Lake Travis ISD	Travis	11/8/2022	3	Defeated	10,607	18,352	\$93,799,560	Other	Stadium
ISD	Lamar CISD	Fort Bend	11/8/2022	4	Defeated	19,895	24,223	\$4,978,501	Other	Athletic Facilities Improvements
ISD	Lamar CISD	Fort Bend	11/8/2022	5	Defeated	17,890	26,431	\$194,904,700	Other	Stadium
ISD	Magnolia ISD	Montgomery	11/8/2022	2	Defeated	10,341	15,747	\$4,000,000	Other	Athletic Facilities Improvements
ISD	Martins Mill ISD	Van Zandt	11/8/2022	1	Defeated	466	491	\$12,000,000	Other	SchoolBuildingAthleticImprovements
ISD	Pflugerville ISD	Travis	11/8/2022	4	Defeated	20,515	23,571	\$400,000	Other	Athletic Facilities Improvements
ISD	Plano ISD	Collin	11/8/2022	4	Defeated	55,953	59,307	\$27,817,000	Other	Athletic Facilities Improvements
ISD	Point Isabel ISD	Cameron	11/8/2022	1	Defeated	2,252	2,430	\$17,000,000	Other	Aquatic Center
ISD	Point Isabel ISD	Cameron	11/8/2022	3	Defeated	2,202	2,479	\$2,500,000	Other	Stadium
ISD	Seguin ISD	Guadalupe	11/8/2022	2	Defeated	5,489	7,969	\$7,500,000	Other	Athletic Facilities Improvements
ISD	Splendora ISD	Montgomery	11/8/2022	2	Defeated	2,160	2,291	\$24,000,000	Other	Performing Arts
ISD	Waller ISD	Waller	11/8/2022	2	Defeated	5,496	6,543	\$4,654,082	Other	Stadium
ISD	Winona ISD	Smith	11/8/2022	2	Defeated	881	1,233	\$6,500,000	Other	Athletic Facilities Improvements
ISD	Winona ISD	Smith	11/8/2022	3	Defeated	840	1,264	\$3,600,000	Other	Stadium
ISD	Alba-Golden ISD	Wood	5/7/2022	1	Defeated	243	626	\$16,000,000	Building	School Building/Gym
ISD	Amarillo ISD	Potter-Randall	5/7/2022	2	Defeated	4,213	6,999	\$19,000,000	Other	Athletic Facilities Improvements
ISD	Amarillo ISD	Potter-Randall	5/7/2022	3	Defeated	4,171	7,040	\$38,300,000	Building	Natorium
ISD	Amarillo ISD	Potter-Randall	5/7/2022	4	Defeated	4,198	7,011	\$48,000,000	Building	Multi-Purpose Center
ISD	Aquilla ISD	Hill	5/7/2022	1	Defeated	148	188	\$9,250,000	Other	SchoolBuildingAthleticImprovements
ISD	Brooksmith ISD	Brown	5/7/2022	1	Defeated	72	245	\$9,950,000	Other	School Building, Athletics, Renovations
ISD	Callisburg ISD	Cooke	5/7/2022	2	Defeated	527	825	\$9,893,750	Other	Stadium
ISD	Callisburg ISD	Cooke	5/7/2022	3	Defeated	537	815	\$7,125,000	Other	Athletic Facilities Improvements
ISD	Carrizo Springs CISD	Dimmit	5/7/2022	2	Defeated	168	738	27,500,000	Other	Athletic Facilities Improvements
ISD	Chapel Hill ISD	Smith	5/7/2022	2	Defeated	805	959	\$12,180,000	Other	School Building, Athletics, Renovations
ISD	Chilton ISD	Falls	5/7/2022	1	Defeated	97	107	\$28,900,000	Other	School Building, Athletics, Renovations
ISD	Community ISD	Collin	5/7/2022	2	Defeated	770	824	\$19,338,000	Other	Stadium
ISD	Community ISD	Collin	5/7/2022	3	Defeated	749	850	\$35,058,000	Building	Multi-Purpose Center
ISD	Corsicana ISD	Navarro	5/7/2022	2	Defeated	886	1,626	\$9,596,531	Building	Multi-Purpose Center
ISD	Coupland ISD	Williamson-Travis	5/7/2022	1	Defeated	68	68	\$91,600,000	Other	SchoolBuildingAthleticImprovements
ISD	Crandall ISD	Kaufman	5/7/2022	2	Defeated	566	726	\$35,000,000	Other	Stadium
ISD	Cross Roads ISD	Henderson	5/7/2022	1	Defeated	128	180	\$1,000,000	Other	Athletic Facilities Improvements
ISD	Cross Roads ISD	Henderson	5/7/2022	2	Defeated	103	204	\$1,000,000	Other	Stadium
ISD	Ferris ISD	Ellis	5/7/2022	2	Defeated	280	435	\$12,000,000	Other	Performing Arts
ISD	Ferris ISD	Ellis	5/7/2022	3	Defeated	252	460	\$14,000,000	Other	Athletic Facilities Improvements
ISD	Fort Stockton ISD	Pecos	5/7/2022	2	Defeated	575	732	\$12,000,000	Other	Stadium
ISD	Fort Stockton ISD	Pecos	5/7/2022	5	Defeated	632	681	\$5,000,000	Building	Multi-Purpose Center
ISD	Granbury ISD	Hood	5/7/2022	2	Defeated	2,078	5,574	\$39,000,000	Other	Stadium
ISD	Huffman ISD	Harris	5/7/2022	2	Defeated	501	1,028	\$2,900,000	Other	Athletic Facilities Improvements
ISD	Idalou ISD	Lubbock	5/7/2022	1	Defeated	303	522	\$16,100,000	Other	Athletic Facilities Improvements
ISD	Joshua ISD	Johnson	5/7/2022	2	Defeated	746	1,482	\$12,850,000	Building	Multi-Purpose Center
ISD	Kaufman ISD	Kaufman	5/7/2022	1	Defeated	593	846	\$79,600,000	Other	SchoolBuildingAthleticImprovements
ISD	Klein ISD	Harris	5/7/2022	3	Defeated	8,758	9,340	\$131,300,000	Building	Event Center
ISD	Klein ISD	Harris	5/7/2022	4	Defeated	8,424	9,669	\$75,200,000	Other	Stadium
ISD	Krum ISD	Denton	5/7/2022	2	Defeated	437	573	\$30,300,000	Other	Stadium
ISD	Longview ISD	Gregg	5/7/2022	2	Defeated	794	1,645	\$40,795,000	Other	Athletic Facilities Improvements
ISD	Longview ISD	Gregg	5/7/2022	3	Defeated	794	1,645	\$8,565,000	Other	Stadium
ISD	Longview ISD	Gregg	5/7/2022	4	Defeated	854	1,573	\$2,440,000	Other	Aquatic Center
ISD	Medina Valley ISD	Medina	5/7/2022	2	Defeated	548	1,220	\$14,000,000	Other	Stadium
ISD	Mount Vernon ISD	Franklin	5/7/2022	2	Defeated	666	818	\$12,800,000	Other	Athletic Facilities Improvements
ISD	New Diana ISD	Upshur	5/7/2022	2	Defeated	327	394	\$550,000	Other	Athletic Facilities Improvements
ISD	Olney ISD	Young	5/7/2022	1	Defeated	173	198	\$6,000,000	Other	Athletic Facilities Improvements
ISD	Ranger ISD	Eastland	5/7/2022	2	Defeated	42	200	\$1,650,000	Other	Stadium
ISD	Red Oak ISD	Ellis	5/7/2022	2	Defeated	1,311	2,006	\$45,000,000	Other	Stadium
ISD	Red Oak ISD	Ellis	5/7/2022	3	Defeated	1,310	2,006	\$9,300,000	Other	Athletic Facilities Improvements
ISD	Sabinal ISD	Uvalde	5/7/2022	1	Defeated	136	152	\$4,500,000	Building	Multi-Purpose Center
ISD	Santa Rosa ISD	Cameron	5/7/2022	2	Defeated	219	257	\$1,400,000	Other	Stadium
ISD	Sheldon ISD	Harris	5/7/2022	2	Defeated	184	388	\$272,000,000	Building	Multi-Purpose Center
ISD	Sheldon ISD	Harris	5/7/2022	3	Defeated	181	390	\$33,900,000	Building	Natorium
ISD	Stephenville ISD	Erath	5/7/2022	1	Defeated	1,344	1,604	\$50,000,000	Other	Stadium
ISD	Stephenville ISD	Erath	5/7/2022	2	Defeated	1,242	1,696	\$25,000,000	Other	Athletic Facilities Improvements
ISD	Terrell ISD	Kaufman	5/7/2022	2	Defeated	624	792	\$641,900	Other	Performing Arts
ISD	Thrall ISD	Williamson	5/7/2022	2	Defeated	272	333	\$3,683,320	Other	Stadium
ISD	Trenton ISD	Fannin	5/7/2022	3	Defeated	156	219	\$1,445,000	Other	Stadium
ISD	Willis ISD	Montgomery	5/7/2022	2	Defeated	1,892	1,969	\$62,570,000	Other	Stadium
ISD	Willis ISD	Montgomery	5/7/2022	3	Defeated	1,922	1,934	\$19,390,000	Other	Aquatic Center
ISD	Alice ISD	Jim Wells	11/2/2021	2	Defeated	319	599	\$3,200,000	Other	Athletic Facility Improvements
ISD	Alief ISD	Harris	11/2/2021	3	Defeated	2,913	3,273	\$19,430,000	Other	Stadium
ISD	Allen ISD	Collin	11/2/2021	1	Defeated	3,576	5,222	\$15,900,000	Other	Athletic Facilities Improvements
ISD	Allen ISD	Collin	11/2/2021	2	Defeated	3,543	5,252	\$7,700,000	Building	SchoolBuildingAthleticImprovements
ISD	Azle ISD	Tarrant	11/2/2021	2	Defeated	2,168	2,445	\$25,806,000	Building	SchoolBuildingAthleticImprovements
ISD	Bartlett ISD	Bell	11/2/2021	1	Defeated	102	114	\$20,000,000	Building	SchoolBuildingAthleticImprovements
ISD	Belville ISD	Austin	11/2/2021	2	Defeated	758	2,021	\$7,800,000	Other	Athletic Facilities Improvements
ISD	College Station ISD	Brazos	11/2/2021	4	Defeated	3,228	3,613	\$5,035,000	Building	School Building/Stadium
ISD	Comal ISD	Comal, Bexar, Guadalupe, Hays & Kendall	11/2/2021	3	Defeated	6,144	7,052	\$20,397,672	Other	Stadium
ISD	Cross Roads ISD	Henderson	11/2/2021	1	Defeated	196	208	\$7,000,000	Building	SchoolBuildingAthleticImprovements
ISD	Crystal City ISD	Zavala	11/2/2021	2	Defeated	161	296	\$745,000	Other	Athletic Facilities Improvements
ISD	Elgin ISD	Bastrop	11/2/2021	2	Defeated	956	1,308	\$11,048,400	Other	Athletic Facilities Improvements
ISD	Fort Worth ISD	Tarrant	11/2/2021	2	Defeated	11,269	13,292	\$98,300,000	Building	School Building/Auditorium
ISD	Fort Worth ISD	Tarrant	11/2/2021	3	Defeated	8,246	16,250	\$104,900,000	Other	Stadium
ISD	Fort Worth ISD	Tarrant	11/2/2021	4	Defeated	10,277	14,209	\$76,200,000	Other	Athletic Facilities Improvements
ISD	Georgetown ISD	Williamson	11/2/2021	3	Defeated	5,844	7,031	\$7,300,000	Other	Performing Arts
ISD	Georgetown ISD	Williamson	11/2/2021	4	Defeated	5,006	7,874	\$23,600,000	Building	Natorium
ISD	Georgetown ISD	Williamson	11/2/2021	5	Defeated	5,567	7,300	\$850,000	Other	Athletic Facilities Improvements
ISD	Greenwood ISD	Midland	11/2/2021	1	Defeated	623	928	\$140,000,000	Other	School Building, Athletic Facility, Transportation
ISD	Judson ISD	Bexar	11/2/2021	2	Defeated	2,948	4,394	\$14,900,000	Other	Recreation

ISD	Leander ISD	Williamson	11/2/2021	3	Defeated	9,582	10,347	\$11,662,346	Other	Performing Arts
ISD	Navarro ISD	Guadalupe	11/2/2021	2	Defeated	625	760	\$30,000,000	Other	Athletic Facilities Improvements
ISD	New Braunfels ISD	Comal	11/2/2021	2	Defeated	2,377	2,790	\$20,100,000	Other	Stadium
ISD	Point Isabel ISD	Cameron	11/2/2021	2	Defeated	773	853	\$3,035,000	Other	Athletic Facilities Improvements
ISD	Point Isabel ISD	Cameron	11/2/2021	3	Defeated	812	822	\$12,500,000	Other	Aquatic Center
ISD	Temple ISD	Bell	11/2/2021	2	Defeated	1,617	2,311	\$6,600,000	Other	Stadium
ISD	Tomball ISD	Harris	11/2/2021	3	Defeated	4,092	4,495	\$8,100,000	Other	Athletic Facilities Improvements
ISD	Tomball ISD	Harris	11/2/2021	4	Defeated	3,969	4,599	\$17,200,000	Building	Natorium
ISD	Tomball ISD	Harris	11/2/2021	5	Defeated	4,070	4,487	\$47,800,000	Building	Fine Arts Venue
ISD	Azle ISD	Tarrant	5/1/2021	3	Defeated	1,461	2,317	\$16,918,000	Other	Stadium
ISD	Cleburne ISD	Johnson	5/1/2021	2	Defeated	1,041	1,213	\$22,456,685	Building	SchoolBuildingAthleticImprovements
ISD	Gordon ISD	Palo Pinto	5/1/2021	2	Defeated	202	242	\$800,000	Other	Athletic Facilities Improvements
ISD	Hays CISD	Hays	5/1/2021	3	Defeated	1,174	1,503	\$12,784,128	Other	Stadium
ISD	Hays CISD	Hays	5/1/2021	4	Defeated	1,198	1,481	\$4,268,873	Other	Athletic Facilities Improvements
ISD	Ingleside ISD	San Patricio	5/1/2021	2	Defeated	361	454	\$3,200,000	Other	Athletic Facilities Improvements
ISD	Orange Grove ISD	Jim Wells	5/1/2021	2	Defeated	80	419	\$500,000	Other	Athletic Facilities Improvements
ISD	Orange Grove ISD	Jim Wells	5/1/2021	3	Defeated	68	431	\$1,400,000	Other	Stadium
ISD	Rogers ISD	Bell	5/1/2021	2	Defeated	180	300	\$1,900,000	Other	Gymnasium
ISD	Rogers ISD	Bell	5/1/2021	4	Defeated	237	246	\$100,000	Other	Athletic Facilities Improvements
ISD	Allen ISD	Collin	11/3/2020	2	Defeated	17,048	26,734	\$7,200,000	Renovations	Athletic Facilities Improvements
ISD	Dallas ISD	Dallas	11/3/2020	3	Defeated	136,236	223,524	\$53,300,000	Renovations	Athletic Facility Improvements
ISD	Dallas ISD	Dallas	11/3/2020	4	Defeated	174,604	184,927	\$66,100,000	Other	Performing Arts
ISD	Dallas ISD	Dallas	11/3/2020	5	Defeated	151,368	206,471	\$33,500,000	Building	Natorium
ISD	Ferris ISD	Ellis	11/3/2020	2	Defeated	1,184	2,234	\$4,000,000	Other	Athletic Facilities Improvements
ISD	Hamshire-Fannett ISD	Jefferson	11/3/2020	2	Defeated	2,247	2,853	\$1,480,000	Refund	Athletic Facilities Improvements
ISD	Huntington ISD	Angelina	11/3/2020	1	Defeated	1,192	2,816	\$19,295,000	Building	SchoolBuildingAthleticImprovements
ISD	Karnes City ISD	Karnes	11/3/2020	2	Defeated	846	1,018	\$63,000,000	Other	Athletic Facilities Improvements
ISD	Lago Vista ISD	Travis	11/3/2020	3	Defeated	2,781	4,329	\$5,130,000	Other	Athletic Facilities Improvements
ISD	Lamar CISD	Fort Bend	11/3/2020	2	Defeated	35,675	38,599	\$31,937,031	Other	Aquatic Facilities
ISD	Lamar CISD	Fort Bend	11/3/2020	3	Defeated	34,115	39,949	\$93,783,238	Building	Stadium
ISD	Northwest ISD	Denton	11/3/2020	2	Defeated	8,506	15,853	\$23,573,000	Other	Athletic Facilities Improvements
ISD	Northwest ISD	Denton	11/3/2020	3	Defeated	7,055	17,215	\$8,840,000	Other	Stadium
ISD	Rogers ISD	Bell	11/3/2020	2	Defeated	767	959	\$100,000	Other	Athletic Facilities Improvements
ISD	Royal ISD	Waller	11/3/2020	2	Defeated	1,259	2,043	\$5,675,000	Other	Athletic Facilities Improvements
ISD	Troup ISD	Smith	11/3/2020	1	Defeated	985	1,408	\$22,667,500	Building	School Building/Gym
ISD	Wichita Falls ISD	Wichita	11/3/2020	2	Defeated	12,547	13,693	\$13,580,000	Renovations	Athletic Facilities Improvements
ISD	Azle ISD	Tarrant	11/5/2019	1	Defeated	1,366	1,999	\$79,820,000	Building	SchoolBuildingAthleticImprovements
ISD	Conroe ISD	Montgomery	11/5/2019	1	Defeated	14,886	20,942	\$23,800,000	Other	Athletic Renovations
ISD	Cumby ISD	Hopkins-Hunt	11/5/2019	1	Defeated	183	192	\$6,200,000	Building	SchoolBuildingAthleticImprovements
ISD	Allen ISD	Collin	5/4/2019	1	Defeated	3,983	4,463	\$422,800,000	Other	School Building, Athletic Facility & Transportation
ISD	Peaster ISD	Parker	5/4/2019	1	Defeated	284	296	\$16,000,000	Building	School Building, Athletics, Renovations
ISD	Brady ISD	McCulloch	11/6/2018	2	Defeated	801	1,034	\$6,800,000	Building	School Building and Auditorium
ISD	Brady ISD	McCulloch	11/6/2018	3	Defeated	713	1,129	\$3,250,000	Other	Baseball Park
ISD	San Angelo ISD	Tom Green	11/6/2018	1	Defeated	11,021	14,985	\$34,040,000	Building	SchoolBuildingAthleticImprovements
ISD	Southside ISD	Bexar	11/6/2018	1	Defeated	2,118	2,505	\$17,000,000	Building	SchoolBuildingAthleticImprovements
ISD	Alvord ISD	Wise	5/5/2018	1	Defeated	104	199	\$5,110,000	Building	School Building/Gym
ISD	Goose Creek CISD	Harris-Chambers	5/5/2018	1	Defeated	1,656	2,101	\$376,905,000	Building	SchoolBuildingAthleticImprovements
ISD	Goose Creek CISD	Harris-Chambers	5/5/2018	2	Defeated	1,544	2,258	\$60,500,000	Building	Multi-Pupose Center
ISD	Mildred ISD	Navarro	5/5/2018	2	Defeated	180	242	\$6,225,000	Building	Stadium
ISD	Mildred ISD	Navarro	5/5/2018	3	Defeated	174	250	\$800,000	Building	Multi-Pupose Center
ISD	Pottsboro ISD	Grayson	5/5/2018	1	Defeated	412	413	\$27,000,000	Building	School Building & Gymnasium
ISD	Dekalb ISD	Bowie	11/7/2017	2	Defeated	107	958	\$2,500,000	Building	Gymnasium
ISD	Kenedy ISD	Karnes	11/7/2017	2	Defeated	142	226	\$9,000,000	Renovations	Athletic Facility Improvements
ISD	Laneville ISD	Rusk	11/7/2017	1	Defeated	129	160	\$2,949,000	Building	Auditorium
ISD	Peaster ISD	Parker	11/7/2017	1	Defeated	363	438	\$13,500,000	Building	Sports Complex
ISD	Pottsboro ISD	Grayson	11/7/2017	2	Defeated	553	1,163	\$4,000,000	Building	Multi-Pupose Center
ISD	Stratford ISD	Sherman	11/7/2017	4	Defeated	176	210	\$4,820,000	Programs	Performing Arts
ISD	Waxahachie ISD	Ellis	11/7/2017	1	Defeated	1,264	2,428	\$13,000,000	Building	Aquatic Center
ISD	Mineola ISD	Wood	5/6/2017	1	Defeated	460	539	\$41,000,000	Building	School Building / Auditorium
ISD	Peaster ISD	Parker	5/6/2017	1	Defeated	175	245	\$9,500,000	Building	Stadium
ISD	Pilot Point ISD	Denton	5/6/2017	1	Defeated	411	470	\$11,910,000	Building	School Building, Athletics, Renovations
ISD	Pilot Point ISD	Denton	5/6/2017	2	Defeated	366	514	\$1,295,000	Other	Athletic Facilities Improvements
ISD	Red Oak ISD	Ellis	5/6/2017	1	Defeated	980	1,016	\$74,085,000	Building	School Building, Athletic Facility & Transportation
ISD	Round Rock ISD	Williamson	5/6/2017	1	Defeated	8,261	8,905	\$381,660,000	Building	School Building / Auditorium
ISD	Round Rock ISD	Williamson	5/6/2017	2	Defeated	8,061	9,104	\$133,600,000	Building	School Building, Athletics, Renovations
ISD	Round Rock ISD	Williamson	5/6/2017	3	Defeated	7,296	9,841	\$56,830,000	Renovations	Athletic Facilities Improvements
ISD	Sanger ISD	Denton	5/6/2017	1	Defeated	464	499	\$26,760,000	Building	School Building, Athletics, Renovations



## APPENDIX D



### The Senate of The State of Texas Senator José Menéndez

District 26

December 20, 2022

Senate Committee on Local Government  
Sam Houston Building, Room 475  
Austin, Texas 78701

Chair Bettencourt:

Thank you and your staff for your service to our State. During the interim, the Local Government Committee held three hearings where eight important charges were discussed. I appreciated the discussions in each hearing and am grateful we can work together to find solutions that improve and strengthen our state at the local level.

As a former council member, I care deeply about the issues our body discusses. However, after speaking with key constituencies in Senate District 26, I am unable to sign the interim committee report. The issues discussed during the interim are crucial to our success as a State, however, some of the outlined solutions are not feasible for all communities in Texas.

Property tax reform is critically needed, however we must be mindful of the government services these tax dollars fund, services we use every day and should not take for granted. Moreover, we must remain mindful of the dollars that fund our public schools, whom are already severely underfunded. While some of these property tax solutions benefit certain local governments, they can simultaneously harm others.

When reviewing the affordable housing recommendations as a whole, some will indirectly hurt Senate District 26. While I understand that some recommendations are attempting to close loopholes related to public facility corporations, experts in my district approach this issue from a different perspective. Additionally, it is important to note that some third party auditors may not be able to give the same insight that subject matter experts already provide. This recommendation would have a negative impact on the international accreditation service for the City of San Antonio, which was obtained through ensuring the provision of the highest levels of service and expertise. Lastly, we remain opposed to measure that may hinder the ability for local control.

Moreover, taxpayer funded lobbying can be helpful for some municipalities. Many cities find it difficult to monitor state activity during sessions, such as tracking the hundreds of bills filed and analyzing how each of them may impact their residents. This forces many cities to hire lobbyists who can represent them in Austin during session and assist with ensuring that members whose districts encompass these local governments are voting for legislation that will help them.

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**Chairman Senate Hispanic Caucus  
Committees: Vice-Chairman Local Government  
Administration • Business & Commerce  
Education • Redistricting**

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## The Senate of The State of Texas

### Senator José Menéndez

District 26

These are some of the issues that have been brought up by key constituencies in Senate District 26. As the 88th Legislative Session is just on the horizon, I look forward to serving on the local government committee and working together to address issues that affect all Texans. Local control is critical, as each city has different Texans with different needs. Thank you, Committee staff, and fellow committee members for their service to the people of Texas.

Sincerely,

José Menéndez

State Senate District 26

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Vice Chair, Natural Resources and  
Economic Development  
Texas Judicial Council  
Chair, Eagle Ford Shale  
Legislative Caucus



**Judith Zaffirini**  
State Senator, District 21  
President Pro Tempore, 1997

Committees  
Higher Education  
Local Government  
State Affairs

December 20, 2022

The Honorable  
Paul Bettencourt, Chair  
Senate Committee on Local Government  
209 West 15<sup>th</sup> Street, Ste. 475  
Austin, TX 78701

Dear Chair Bettencourt:

Thank you for your leadership as Chair of the Senate Committee on Local Government. I appreciate the opportunity to serve with you and to share my perspective regarding our committee's Interim Report to the 88<sup>th</sup> Legislature, which includes recommendations that I support, such as those regarding appraisal transparency, special purpose district consistency, and ballot proposition clarity.

This letter, however, is to record my reason for not signing the report, namely, my belief that some recommendations infringe unduly on local control. Prohibiting so-called "taxpayer-funded lobbying," for example, is troublesome. Ostensibly, this would prevent local government officials from using taxpayers' money to advocate against their interests. In reality, however, banning the hiring of professional advocates would muzzle local viewpoints, as many localities, especially rural ones, lack the time, resources, and expertise to have a continued presence at the State Capitol and to monitor legislative actions. Equally important, local elected officials are best positioned to know and understand their constituents' unique interests. They often need their viewpoints expressed on many fronts at a level of required time and intensity that exceeds the capacity of their elected legislators. If and when some local officials spend tax dollars to advocate against their communities' interests, the appropriate remedy would be to protest at the local level and to vote them out of office.

Local governments in my district also strongly oppose the recommended third-party review of construction plans and permits. This effectively could remove a city's capability to enforce safety and planned development regulations.

Relatedly, I look forward to continuing to work with Lt. Governor Dan Patrick, you, and our Senate colleagues to provide meaningful property tax relief this session. We must, however, always be cautious about potential unintended consequences of measures hindering the ability of local taxing units, including school districts, to raise revenue for essential public services.

My prayer is that the Lord will continue to bless and inspire you.

Very truly yours,

A handwritten signature in cursive script that reads "Judith Zaffirini".

Judith Zaffirini

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**SARAH ECKHARDT**  
STATE SENATOR • DISTRICT 14

December 20, 2022

Chairman Paul Bettencourt  
Committee on Local Government Committee  
Texas Senate  
P.O. Box 12068  
Austin, TX 78711-2068

Chairman Bettencourt;

I deeply enjoy this area of policy and I enjoy the robust exchange of ideas and perspectives on this committee. I would like to extend my gratitude to you and your staff for your hard work during the interim. I am committed to the Committee goal of finding meaningful property tax relief while also allowing for the delivery of necessary services and infrastructure that our growing state needs today and into the future. I seek effective, efficient and fair strategies for the state, in partnership with federal and local governments, to identify and address these needs. I look forward to identifying the facts around these needs and the policy solutions for addressing them.

However, the committee report is short on facts and partnership. Notably, none of the recommendations calls for deeper state investment or responsibility in providing the services or infrastructure these local governments are struggling to provide through the predominant tool allowed them by this legislature - levying or abating property taxes. The report relies heavily on costly regulatory burdens, curtailing local options to deliver the services that are their mandate, and suppressing communication between state and local governments. Even when purporting to add transparency, too often the proffered recommendation may have the opposite effect.

I therefore cannot add my signature to the report as drafted. I provide this letter to point to where our work could, through collaboration with local government, provide meaningful property tax relief while also providing the necessary services and infrastructure that our growing state needs today and into the future.

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### **Property Tax Reform**

We heard overwhelmingly from our local government partners who testified before the Committee and/or submitted written comments that non-voter approved debt (certificates of obligation) can be a useful tool for local governments to provide infrastructure necessary to serve their constituents while costing the taxpayers less over time. Local voters elect local leaders to make these decisions. They can also defeat local leaders who make poor decisions. In the Amarillo case cited in our hearing, a local resident challenged the debt issuance and prevailed in district court. The existing remedy worked. The new remedy proposed by the Committee report would reduce the tools available for local governments to address constituent needs. Fewer tools leads to inefficiencies which leads to higher costs borne by the very taxpayers we are trying to help.

### **Appraisal Reform**

The standards of professionalism ushered in by the Peveto bill 40 years ago established an effective, efficient and fair methodology for valuing properties in markets all across the state. Originally, appraisal districts were able to finish their work within the necessary time constraints, allowing sufficient time for reappraisals to meet the valuation tolerance requirements of the Comptroller's Property Value Study. But the unfunded mandates on appraisal districts generated by this legislature since the Peveto bill without a commensurate change in the time allowed to complete the work has led to strain on the appraisal districts' resources and reduction in the level of service CADs are able to provide to taxpayers. Notably, none of the recommendations call for deeper state investment or responsibility for collecting statewide sales data, providing information about the process, or assisting with the costs of the protest process. I look forward to working on any recommendations to the extent that they increase transparency and accessibility for property owners by simplifying the process so busy property owners can easily represent their own interests before their appraisal district.

### **Affordable Housing**

The needs for affordable housing all across the state are deep. It is my hope that we can take the knowledge gained from the Committee hearing and provide more affordable housing options to Texan's across the state while maintaining a healthy level of local control for local governments who provide funding and/or tax incentives for affordable housing. According to the 2022 State of Texas Low Income Housing Plan and Annual Report by TDHCA, "*In FY 2021, TDHCA expended or issued \$3,162,062,163 in total funds and tax credit assistance. The vast majority of these funds derive from federal/federally-authorized resources or market-based loan mechanisms. Programs with state sources of funding, which include HTF programs and the HHSP, comprised 0.26% of total FY 2021 funding*" Solutions for affordability and homelessness have been funded almost exclusively by federal and local investments. Notably, the Report contains no recommendations for increased state investment or responsibility in this policy area.

Furthermore, I do have concerns regarding the following recommendation, "*The Legislature should consider passing legislation requiring cities to allow third party review of preliminary plans, building permits, site plans, subdivision plans, and inspections, with the choice of whether to use third party review belonging to the applicant, and with the ability of the city to audit third*

*party reviews*". This is an option that cities can utilize now. Imposing another mandate via legislative overreach invites more problems and costs than it solves.

### **Bond Elections**

The recommendations on this charge may work at cross purposes, particularly:

- The Legislature should consider passing legislation requiring all bond elections be held on a uniform election date.
- The Legislature should consider passing legislation to expand the types of debt instruments requiring voter-approval prior to issuance.

A second uniform election date is an important tool that provides political subdivisions with flexibility and agility in their ability to submit measures to voters for their consideration of important projects. The solution to reducing the options to address historic low voter turnout in May is not to eliminate the election date, but look for ways to make voting easier and more convenient. Having one uniform election date would add to longer ballots, voter fatigue, and, potentially, longer waits between project proposals and voter approval leading to higher costs. While I understand that we are attempting to ensure greater voter turnout in these important elections, I believe this solution is not well thought out. These recommendations appear not to be based in response to the full spectrum of input we received in testimony before the Committee.

### **Taxpayer Funded Lobbying**

I do not agree with the Committee's first recommendation regarding taxpayer funded lobbying, "The Legislature should consider adopting legislation that would prevent the governing body of a county or municipality from spending public money or providing compensation in any manner to directly or indirectly influence the outcome of any legislation pending before the Legislature."

It has become increasingly more difficult for local government officials to perform their full-time obligations to serve our shared constituents while also personally advocating for local interests at the state legislature. Outsourcing, sharing resources, and/or dedicating staff to represent them at the Texas Capitol is the only efficient way for local governments to track and respond to the hundreds of bills filed every session that impact the ability of cities, counties, and school districts to meet the needs of our shared constituencies.

Too often it appears that the Legislature fails to fully consider how the legislation we enact is implemented in our communities, whether by the state executive branch or by our local government partners. I rely on perspectives from around the state, not just from my district. Whether I agree or disagree with them, the diversity of perspectives is invaluable to informing our decision-making. I have heard no compelling argument outlining why local government should not be professionally represented at the Texas Capitol.

### **Efficiency Audits**

While I do believe it is responsible for any entity to periodically evaluate the organization's efficiency as I did when I was Travis County Judge, requiring efficiency audits on our local

governmental entities before certifying a tax rate election to adopt a tax rate above the taxing entity's voter-approval tax rate is a burdensome and costly regulatory solution in search of a problem.

**Extraterritorial Jurisdictions**

One of the Committee's recommendations is of concern to me; *"The Legislature should consider adopting legislation creating a statewide model for municipal disannexation"*. State statute already provides a statewide model for municipal disannexation through district court review. Municipal annexation is a difficult process in Texas. Disannexation should likewise be difficult.

**Ballot Language**

While I appreciate the Committee's work to simplify and add transparency to the voting process by making ballot language more clear, adding a one-size fits all requirement that statewide ballot propositions be printed in only one sentence may cause less clarity by requiring long, opaque, run-on sentences.

As we look toward the 88th Regular Session of the Legislature, I look forward to continued conversations on the critical issues that affect all Texans. While we bring different beliefs and perspectives, I am heartened when I remember that we are all working toward the best outcomes for Texans across the state. I thank the Chair and all of my colleagues on the Committee again for their dedication to the people of Texas.

Sincerely,

A handwritten signature in black ink, appearing to read 'SEK', with a long, sweeping underline that extends to the right.

Senator Sarah Eckhardt

