

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1253
By: Kolkhorst
Intergovernmental Relations
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1253 expands an existing property tax transparency database at the Office of the Comptroller of Public Accounts of the State of Texas (comptroller) to include all taxing entities that impose a property tax, a sales tax, an assessment, or a fee. This bill also requires the comptroller to allow the user to search the database based on their home address, similar to the "Who Represents Me?" feature of the Secretary of State.

Last session, the legislature passed S.B. 625, which established the Special District Property Tax Transparency Database. This bill was limited to special districts. S.B. 1253 expands this to all taxing entities.

Transparency is vital to a functioning representative democracy. Due to the proliferation of taxing entities over the last few years, a citizen may be unaware of exactly who their tax dollars are going to. Additionally, newly arrived residents may not be aware of each entity with taxing authority over their property. By expanding this database, citizens will have more knowledge over the manner in which governmental entities operate.

S.B. 1253 builds on the effectiveness of the database created by S.B. 625 in an effort to promote transparency. Given the large number of taxing entities that may govern a single parcel of land, a database such as the one created by S.B. 625 would provide a single resource for a landowner to obtain taxing information in a clear and easy to understand format.

The committee substitute makes the following changes:

- on page 2, line 18, inserts "if available" after "and e-mail address." Not every small district has an e-mail address and the comptroller's staff recommended this change;
- on page 2, line 21, the language is changed to ensure that the contact information required by Subdivision (3) is updated as it changes;
- on page 7, line 3, instead of "written notice," the substitute allows the comptroller to provide the notice by e-mail;
- on page 8, line 4, the substitute makes the same change and allows the comptroller to provide the notice by e-mail;
- the substitute amends Section 140.008(a) to state that a political subdivision defined by that section does not include a political subdivision that is subject to Subsection 403.0241(b), i.e, a political subdivision that does charge a tax, etc., must report via Chapter 403 but one that does not use Chapter 140;
- finally, the substitute adds the fiscal responsibility amendment that clarifies that this bill is not law if it does not receive an appropriation.

C.S.S.B. 1253 amends current law relating to a public database maintained by the comptroller of information about certain political subdivisions

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the comptroller of public accounts of the State of Texas is rescinded in SECTION 9 (Section 104.008, Local Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends the heading to Section 403.0241, Government Code, to read as follows:

Sec. 403.0241. POLITICAL SUBDIVISION PUBLIC INFORMATION DATABASE.

SECTION 2. Amends Section 403.0241(a)(1), Government Code, as follows:

(1) Defines "political subdivision" to mean municipality, county, junior college district, independent school district, other special district, or other subdivision of state government. Deletes existing text relating to the definition of "special purpose district."

SECTION 3. Amends Section 403.0241, Government Code, by amending Subsections (b), (c), (d), and (e) and adding Subsection (c-1), as follows:

(b) Requires the comptroller of public accounts of the State of Texas (comptroller) to make accessible on the Internet a database, to be known as the Political Subdivision Public Information Database, rather than the Special Purpose District Public Information Database, that contains information regarding all political subdivisions, rather than all special purpose districts, of this state that:

(1) are authorized by state law to, rather than are authorized by the state by a general or special law to:

(A) creates this paragraph from existing text and makes no changes to this paragraph;

(B)-(D) creates these paragraphs from existing text and makes nonsubstantive changes; and

(2) makes no changes to this subdivision.

(c) Requires the database, for each political subdivision, rather than for each special purpose district, described by Subsection (b), to include:

(1) makes a conforming change to this subdivision;

(2) the name and, if available, e-mail address of each member of the governing body of the political subdivision, rather than the name of each board member of the special purpose district;

(3)-(7) makes conforming and nonsubstantive changes to these subdivisions;

(8) the total amount of bonds authorized by the voters of the political subdivision, rather than the voters of the special purpose district, that are payable wholly or partly from ad valorem taxes, excluding refunding bonds if separately authorized, rather than refunding bonds if refunding bonds were separately authorized, and contract revenue bonds;

(9)-(10) makes conforming and nonsubstantive changes to these subdivisions; and

(11) for a political subdivision, rather than a special purpose district, that imposes an ad valorem tax, each of the ad valorem tax rates described by Section 26.16(a)

(relating to requiring the county assessor-collector for each county that maintains an Internet website to post certain financial information on the Internet website), Tax Code, that the political subdivision is required to calculate for the most recent tax year. Deletes existing Paragraphs (A) and (B) relating to special purpose district tax rates.

Deletes existing Subdivision (8) requiring the database for each special purpose district to include the information the district is required to report under Section 140.008(b) (relating to requiring a political subdivision to compile and report certain financial information), or (g) (relating to a district satisfying certain financial disclosure requirements), Local Government Code, including any revenue obligations, and redesignates the following subdivisions accordingly.

(c-1) Requires the comptroller to ensure that the database includes a function that:

(1) allows a user to search by address; and

(2) produces a listing of each political subdivision that is:

(A) included in the database; and

(B) authorized by state law to impose an ad valorem tax, impose a sales and use tax, impose an assessment, or charge a fee at that address.

(d)-(e) Makes conforming changes to these subsections.

SECTION 4. Amends Section 403.0242, Government Code, as follows:

Sec. 403.0242. New heading: NONCOMPLIANCE LIST. Makes a conforming change.

SECTION 5. Amends Section 140.008, Local Government Code, by adding Subsection (a-1), to provide that this section does not apply to a political subdivision described by Section 403.0241(b), Local Government code.

SECTION 6. Amends Section 203.061, Local Government Code, to make a conforming change.

SECTION 7. Amends Section 203.062, Local Government Code, to make conforming changes.

SECTION 8. Amends Sections 203.063(a), (b), (c), (d), and (e), Local Government Code, as follows:

(a) Requires the comptroller, if a political subdivision does not timely comply with Section 203.062 (Provision of Certain Records and Other Information to Comptroller), to provide notice that includes certain information by e-mail to the political subdivision, rather than requiring the comptroller, if a special purpose district does not timely comply with Section 203.062, to provide written notice that includes certain information to the special purpose district. Makes conforming changes,

(b) Makes conforming changes to this subsection.

(c) Provides that if a political subdivision, rather than a special purpose district, does not report the required information as prescribed by Subsection (b) (relating to requiring a political subdivisions to report required information before a certain deadline):

(1) makes a conforming change to this subdivision; and

(2) the comptroller is required to provide notice by e-mail to the political subdivision, rather than requiring the comptroller to provide written notice to the special purpose district, that includes certain information. Makes conforming changes.

(d)-(e) Makes conforming changes to these subsections.

SECTION 9. Repealer: Section 140.008(g) (relating to a district satisfying certain financial disclosure requirements), Local Government Code.

Repealer: Section 140.008(h) (relating to requiring the comptroller to post certain documents on the comptroller's Internet website), Local Government Code.

SECTION 10. Requires the comptroller to implement a provision of the Act only if the legislature appropriates money specifically for that purpose. Authorizes, but does not require, the comptroller, if the legislature does not appropriate money specifically for that purpose, to implement a provision of this Act using other appropriations available for that purpose.

SECTION 11. (a) Requires the comptroller to update the database required by Section 403.0241, Government Code, as amended by this Act, not later than December 1, 2021.

(b) Requires a political subdivision described by Section 403.0241(b), Government Code, as amended by this Act, to transmit records and information to the comptroller as required by Section 203.062, Local Government Code, as amended by this Act, not later than December 1, 2020.

SECTION 12. Effective date: September 1, 2019.