SENATE JOURNAL

EIGHTY-NINTH LEGISLATURE — SECOND CALLED SESSION

AUSTIN, TEXAS

PROCEEDINGS

SEVENTH DAY
(Continued)
(Thursday, August 28, 2025)

AFTER RECESS

The Senate met at 2:39 p.m. and was called to order by the President.

BILLS SIGNED

The President announced the signing of the following enrolled bills in the presence of the Senate after the captions had been read:

SB 3, **SB 16**.
HB 16, **HB 23**, **HB 25**, **HB 26**, **HB 192**.

MOTION TO ADJOURN

On motion of Senator Zaffirini and by unanimous consent, the Senate at 2:40 p.m. agreed to adjourn, upon completion of the introduction of bills and resolutions on first reading and pending the receipt of committee reports and messages, until 1:00 p.m. Tuesday, September 2, 2025.

(Senator Hughes in Chair)

MESSAGE FROM THE HOUSE

HOUSE CHAMBER
Austin, Texas
Tuesday, September 2, 2025 - 1

The Honorable President of the Senate
Senate Chamber
Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS PASSED THE FOLLOWING MEASURES:

HB 7   Leach
Relating to prohibitions on the manufacture and provision of abortion-inducing drugs, including the jurisdiction of and effect of certain judgments by courts within and outside this state with respect to the manufacture and provision of those drugs, and to

protections from certain counteractions under the laws of other states and jurisdictions; authorizing qui tam actions.

HB 15   Hefner

Relating to certain files maintained by a law enforcement agency regarding certain employees of the agency.

HB 265   Hull

Relating to governmental oversight of youth camps, including youth camp rules, duties, and the advisory committee.

HCR 13   Guillen

Urging the federal government to take immediate action to curb the spread of the New World screwworm in Texas.

SB 8   Middleton   Sponsor: Orr

Relating to the designation and use of certain spaces and facilities according to sex; authorizing a civil penalty and a private civil right of action.
(Amended)

> Respectfully,
>
> /s/Stephen Brown,
> Chief Clerk
> House of Representatives

HOUSE BILLS ON FIRST READING

The following bills received from the House were read first time and referred to the committees indicated:

HB 7 to Committee on State Affairs.
HB 15 to Committee on State Affairs.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 10

Senator Bettencourt submitted the following Conference Committee Report:

> Austin, Texas
> August 27, 2025

Honorable Dan Patrick
President of the Senate

Honorable Dustin Burrows
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 10** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

BETTENCOURT	MEYER
BIRDWELL	BONNEN

HAGENBUCH   BUTTON
NICHOLS   METCALF
PAXTON
On the part of the Senate   On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the calculation of the voter-approval tax rate for certain taxing units.

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

SECTION 1. Section 26.04(c), Tax Code, is amended to read as follows:

(c) After the assessor for the taxing unit submits the appraisal roll for the taxing unit to the governing body of the taxing unit as required by Subsection (b), an officer or employee designated by the governing body shall calculate the no-new-revenue tax rate and the voter-approval tax rate for the taxing unit, where:

(1) "No-new-revenue tax rate" means a rate expressed in dollars per $100 of taxable value calculated according to the following formula:

NO-NEW-REVENUE TAX RATE = (LAST YEAR'S LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)

; and

(2) "Voter-approval tax rate" means a rate expressed in dollars per $100 of taxable value calculated according to the following applicable formula:

(A) for a special taxing unit:

VOTER-APPROVAL TAX RATE = (NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE x 1.08) + CURRENT DEBT RATE

; [or]

(B) for a municipality or county with a population of less than 75,000 that is not a special taxing unit:

VOTER-APPROVAL TAX RATE = (NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE x 1.035) + (CURRENT DEBT RATE + UNUSED INCREMENT RATE)

; or

(C) for a taxing unit other than a special taxing unit or a municipality or county described by Paragraph (B):

VOTER-APPROVAL TAX RATE = (NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE x 1.025 [1.035]) + (CURRENT DEBT RATE + UNUSED INCREMENT RATE)

SECTION 2. Sections 26.041(a), (b), and (c), Tax Code, are amended to read as follows:

(a) In the first year in which an additional sales and use tax is required to be collected, the no-new-revenue tax rate and voter-approval tax rate for the taxing unit are calculated according to the following formulas:

NO-NEW-REVENUE TAX RATE = [(LAST YEAR'S LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] - SALES TAX GAIN RATE

and

VOTER-APPROVAL TAX RATE FOR SPECIAL TAXING UNIT = (NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE x 1.08) + (CURRENT DEBT RATE - SALES TAX GAIN RATE)

or

VOTER-APPROVAL TAX RATE FOR MUNICIPALITY OR COUNTY WITH A POPULATION OF LESS THAN 75,000 THAT IS NOT A SPECIAL TAXING UNIT = (NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE x 1.035) + (CURRENT DEBT RATE + UNUSED INCREMENT RATE - SALES TAX GAIN RATE)

or

VOTER-APPROVAL TAX RATE FOR TAXING UNIT OTHER THAN SPECIAL TAXING UNIT OR MUNICIPALITY OR COUNTY WITH A POPULATION OF LESS THAN 75,000 THAT IS NOT A SPECIAL TAXING UNIT = (NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE x 1.025 [1.035]) + (CURRENT DEBT RATE + UNUSED INCREMENT RATE - SALES TAX GAIN RATE)

where "sales tax gain rate" means a number expressed in dollars per $100 of taxable value, calculated by dividing the revenue that will be generated by the additional sales and use tax in the following year as calculated under Subsection (d) by the current total value.

(b) Except as provided by Subsections (a) and (c), in a year in which a taxing unit imposes an additional sales and use tax, the voter-approval tax rate for the taxing unit is calculated according to the following formula, regardless of whether the taxing unit levied a property tax in the preceding year:

VOTER-APPROVAL TAX RATE FOR SPECIAL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.08) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + (CURRENT DEBT RATE - SALES TAX REVENUE RATE)

or

VOTER-APPROVAL TAX RATE FOR MUNICIPALITY OR COUNTY WITH A POPULATION OF LESS THAN 75,000 THAT IS NOT A SPECIAL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.035) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + (CURRENT DEBT RATE + UNUSED INCREMENT RATE - SALES TAX REVENUE RATE)

or

VOTER-APPROVAL TAX RATE FOR TAXING UNIT OTHER THAN SPECIAL TAXING UNIT OR MUNICIPALITY OR COUNTY WITH A POPULATION OF LESS THAN 75,000 THAT IS NOT A SPECIAL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.025 [1.035]) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + (CURRENT DEBT RATE + UNUSED INCREMENT RATE - SALES TAX REVENUE RATE)

where "last year's maintenance and operations expense" means the amount spent for maintenance and operations from property tax and additional sales and use tax revenues in the preceding year, and "sales tax revenue rate" means a number

expressed in dollars per $100 of taxable value, calculated by dividing the revenue that will be generated by the additional sales and use tax in the current year as calculated under Subsection (d) by the current total value.

(c) In a year in which a taxing unit that has been imposing an additional sales and use tax ceases to impose an additional sales and use tax, the no-new-revenue tax rate and voter-approval tax rate for the taxing unit are calculated according to the following formulas:

NO-NEW-REVENUE TAX RATE = [(LAST YEAR'S LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + SALES TAX LOSS RATE

and

VOTER-APPROVAL TAX RATE FOR SPECIAL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.08) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + CURRENT DEBT RATE

or

VOTER-APPROVAL TAX RATE FOR MUNICIPALITY OR COUNTY WITH A POPULATION OF LESS THAN 75,000 THAT IS NOT A SPECIAL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.035) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + (CURRENT DEBT RATE + UNUSED INCREMENT RATE)

or

VOTER-APPROVAL TAX RATE FOR TAXING UNIT OTHER THAN SPECIAL TAXING UNIT OR MUNICIPALITY OR COUNTY WITH A POPULATION OF LESS THAN 75,000 THAT IS NOT A SPECIAL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.025 [1.035]) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + (CURRENT DEBT RATE + UNUSED INCREMENT RATE)

where "sales tax loss rate" means a number expressed in dollars per $100 of taxable value, calculated by dividing the amount of sales and use tax revenue generated in the last four quarters for which the information is available by the current total value and "last year's maintenance and operations expense" means the amount spent for maintenance and operations from property tax and additional sales and use tax revenues in the preceding year.

SECTION 3. Section 26.042(a-2), Tax Code, as added by H.B. 30, Acts of the 89th Legislature, Regular Session, 2025, and effective January 1, 2026, is amended to read as follows:

(a-2) The voter-approval tax rate the governing body of the taxing unit may direct the designated officer or employee to calculate under Subsection (a) is equal to the lesser of:

(1) the voter-approval tax rate calculated in the manner provided for a special taxing unit; or

(2) the voter-approval tax rate calculated according to the following applicable formula:

   (A) for a municipality or county with a population of less than 75,000 that is not a special taxing unit:

  VOTER-APPROVAL TAX RATE = (NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE X 1.035) + (CURRENT DEBT RATE + UNUSED INCREMENT RATE + DISASTER RELIEF RATE)

  ; or

   (B) for a taxing unit other than a municipality or county described by Paragraph (A):

  VOTER-APPROVAL TAX RATE = (NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE X 1.025 [1.035]) + (CURRENT DEBT RATE + UNUSED INCREMENT RATE + DISASTER RELIEF RATE)

  SECTION 4. This Act applies only to ad valorem taxes imposed for an ad valorem tax year that begins on or after the effective date of this Act.

  SECTION 5. This Act takes effect January 1, 2026.

  The Conference Committee Report on **SB 10** was filed with the Secretary of the Senate.

ADJOURNMENT

  Pursuant to a previously adopted motion, the Senate at 10:35 a.m. Tuesday, September 2, 2025, adjourned until 1:00 p.m. today.

APPENDIX

SENT TO GOVERNOR

August 28, 2025

SB 3, **SB 11**, **SB 12**, **SB 14**, **SB 16**, **SB 18**