

By: Eissler

H.B. No. 2826

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a continuing ad valorem tax for the payment of bonds
3 issued by a school district.

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

5 SECTION 1. Subchapter A, Chapter 45, Education Code, is
6 amended by adding Section 45.0013 to read as follows:

7 Sec. 45.0013. CONTINUING TAX FOR PAYMENT OF BONDS. (a) The
8 governing body of a school district may submit a proposition to the
9 voters in the district to approve the levy of a continuing, annual
10 ad valorem tax in the district to secure the payment of principal
11 and interest on bonds issued for a purpose authorized by Section
12 45.001.

13 (b) If a tax authorized by this section is approved by the
14 voters, the school district may issue bonds payable from the tax and
15 levy the tax without any additional election. The authority to levy
16 a tax authorized by this section does not terminate when bonds
17 secured by the tax finally mature or are discharged.

18 (c) A tax authorized by this section may secure multiple
19 bond issues, but the tax rate for all bonds secured by the tax and
20 outstanding at any time may not exceed the rate approved by the
21 voters.

22 (d) The rate of a tax levied under this section may not
23 exceed the rate necessary for the year in which the tax is levied to
24 pay the principal and interest on outstanding bonds secured by the

1 tax.

2 (e) The approval of a tax authorized by this section does
3 not restrict the authority of a school district to issue bonds in
4 accordance with Section 45.003(b).

5 SECTION 2. Section 45.003, Education Code, is amended by
6 amending Subsections (b) and (c) and adding Subsection (b-1) to
7 read as follows:

8 (b) A proposition submitted to authorize the issuance of
9 bonds under Section 45.001 must include the question of whether the
10 governing board or commissioners court may levy, pledge, assess,
11 and collect annual ad valorem taxes, on all taxable property in the
12 district, either:

13 (1) sufficient, without limit as to rate or amount, to
14 pay the principal of and interest on the bonds; or

15 (2) sufficient to pay the principal of and interest on
16 the bonds, provided that the annual aggregate bond taxes in the
17 district may never be more than the rate stated in the proposition.

18 (b-1) The ballot for the approval of a tax authorized by
19 Section 45.0013 shall permit voting for or against the proposition:
20 "The levy of a continuing, annual debt service tax at an initial
21 rate not to exceed (the rate stated in the proposition, which may
22 not exceed \$0.10 on the \$100 valuation of taxable property) on the
23 \$100 valuation of taxable property in the district to secure the
24 payment of bonds."

25 (c) If bonds are ever voted in a district pursuant to
26 Subsection (b)(1), then all bonds thereafter proposed pursuant to
27 Subsection (b) must be submitted pursuant to Subsection (b)(1)

1 ~~[that subsection]~~, and Subsection (b)(2) does not apply to the
2 district.

3 SECTION 3. Section 41.001(b), Election Code, is amended to
4 read as follows:

5 (b) Subsection (a) does not apply to:

6 (1) a runoff election;

7 (2) an election for the issuance or assumption of
8 bonds for any purpose authorized by law relating to public schools
9 or colleges, the levy of a continuing bond tax as provided under
10 Section 45.0013, Education Code, or the levy of a tax for the
11 maintenance of a public school or college, if the governing body of
12 the political subdivision having jurisdiction of the public school
13 or college issuing or assuming the bonds or levying the tax:

14 (A) by resolution, order, or ordinance, finds
15 that holding the election on a date other than a uniform election
16 date is in the public interest, which finding is conclusive and
17 incontestable; and

18 (B) the election is the only election of the type
19 described by this subdivision held by that political subdivision on
20 a date other than a uniform election date during the state fiscal
21 biennium;

22 (3) an election to resolve a tie vote;

23 (4) an election held under an order of a court or other
24 tribunal;

25 (5) an emergency election ordered under Section
26 41.0011;

27 (6) an expedited election to fill a vacancy in the

1 legislature held under Section 203.013; or

2 (7) an election held under a statute that expressly
3 provides that the requirement of Subsection (a) does not apply to
4 the election.

5 SECTION 4. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2003.