

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 22, 2003**

**TO:** Honorable Fred Hill, Chair, House Committee on Local Government Ways and Means

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB2826** by Eissler (Relating to a continuing ad valorem tax for the payment of bonds issued by a school district.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill allows voters to authorize a continuing, annual tax for payment of school district bonded debt.

Chapter 45 in the Education Code is amended by adding a new section establishing the authority to seek voter approval of a proposition to permanently authorize the levy of a tax for bonded debt. If approved, the school district would have the authority to issue bonds without any subsequent election, but only up to the amount of principal and interest that could be serviced with the debt service tax. The bill sets the maximum tax rate for such an authorization at \$0.10.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated. The bill would provide additional flexibility to school districts in the authorization of a tax for debt service.

**Source Agencies:** 304 Comptroller of Public Accounts, 701 Central Education Agency

**LBB Staff:** JK, SD, UP