BILL ANALYSIS

BACKGROUND AND PURPOSE

Under current law, many local entities can both tax and issue bonds for specific projects with voter approval. Unfortunately, a practice has evolved which allows these local entities to impose a tax increase or issue bonds through voter approval without informing voters what they approved. The election order is posted with specifics, but the actual ballot language is vague. Such is the case with hospital districts, where the current ballot language reads:

> "Authorizing the (insert name of district) to pledge the revenues from its hospital system and from the ad valorem tax that was previously approved by the voters to the payment of combination tax and revenue bonds and other obligations that have been and will be issued and executed for the capital purposes of the hospital system."

H.B. 1366 changes the ballot language for tax and bond elections for hospital districts so that the ballot language includes, at a minimum, the information that is included in the election order. The election order includes a general description of the uses of the proposed funds for improvements to the hospital district, estimates of the costs and revenues raised through bonds and tax increases, the amount that is being requested for each, and any other information that the board deems appropriate.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1366 amends the Health and Safety Code to change the required ballot language for the official proposition submitted to voters to include, at a minimum, the information included in the election order as prescribed by law, and removes ballot language set forth in the Health and Safety Code. The bill removes ballot language summarizing the proposition and sets forth replacement language that provides for a description of the proposed improvement and the amount of tax and revenue bonds or other obligations required for financing the proposed project.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.