



13 MAR 25 AM 9:04
HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. _____

BY: 

1 Amend C.S.H.B. 5 by adding the following appropriately
2 numbered SECTIONS and renumbering subsequent SECTIONS of the bill
3 accordingly:

4 SECTION _____. (a) Sections 45.103(a) and (c), Education
5 Code, are amended to read as follows:

6 (a) Any school district in need of funds to construct,
7 repair, or renovate school buildings, purchase school buildings and
8 school equipment, or equip school properties with necessary
9 heating, water, sanitation, lunchroom, or electric facilities or in
10 need of funds with which to employ a person who has special skill
11 and experience to compile taxation data and that is financially
12 unable out of available funds to construct, repair, renovate, or
13 purchase school buildings, purchase school equipment, or equip
14 school properties with necessary heating, water, sanitation,
15 lunchroom, or electric facilities or is unable to pay the person for
16 compiling taxation data, may, subject to this section, issue
17 interest-bearing time warrants, in amounts sufficient to
18 construct, purchase, equip, or improve school buildings and
19 facilities or to pay all or part of the compensation of the person
20 to compile taxation data, any law to the contrary notwithstanding.
21 The warrants shall mature in serial installments of not more than 15
22 [~~five~~] years from their date of issue. The warrants on maturity may
23 be payable out of any available funds of the school district in the
24 order of their maturity dates. Any interest-bearing time warrants
25 may be issued and sold by the district for not less than their face
26 value, and the proceeds used to provide funds required for the
27 purpose for which they are issued. The warrants shall be entitled
28 to first payment out of any available funds of the district as they
29 become due. Included in the purposes for which interest-bearing

1 time warrants may be issued is the payment of any amounts owed by
2 the school district that was incurred in carrying out any of those
3 purposes.

4 (c) A school district may not issue interest-bearing time
5 warrants in excess of five percent of the assessed valuation of the
6 district for the year in which the warrants are issued. The payment
7 of interest-bearing time warrants in any one year may not exceed the
8 anticipated surplus income of the district for the year in which the
9 warrants are issued, based on the budget of the district for that
10 year. The anticipated income computed under this section is
11 exclusive of all bond taxes. A school district may not have
12 outstanding at any one time warrants totaling in excess of \$1
13 million [~~\$500,000~~] under this section.

14 (b) This section takes effect September 1, 2013.

15 SECTION _____. (a) Section 45.108(a), Education Code, is
16 amended to read as follows:

17 (a) Independent or consolidated school districts may borrow
18 money for the purpose of paying maintenance expenses and may
19 evidence those loans with negotiable or nonnegotiable notes, except
20 that the loans may not at any time exceed 75 percent of the previous
21 year's income. The notes may be payable from and secured by a lien
22 on and pledge of any available funds of the district, including
23 proceeds of a maintenance tax. The term "maintenance expenses" or
24 "maintenance expenditures" as used in this section means any lawful
25 expenditure of the school district other than payment of principal
26 of and interest on bonds. The term includes expenditures relating
27 to notes issued to refund notes previously issued under this
28 section if the refunding notes are coterminous with the refunded
29 obligation. The term also includes all costs incurred in
30 connection with environmental cleanup and asbestos cleanup and
31 removal programs implemented by school districts or in connection

1 with the maintenance, repair, rehabilitation, or replacement of
2 heating, air conditioning, water, sanitation, roofing, flooring,
3 electric, or other building systems of existing school properties.
4 Notes issued pursuant to this section may be issued to mature in not
5 more than 20 years from their date. Notes issued for a term longer
6 than one year must be treated as "debt" as defined in Section
7 26.012(7), Tax Code.

8 (b) This section takes effect September 1, 2013.

9 SECTION _____. (a) Section 1202.007(a), Government Code, is
10 amended to read as follows:

11 (a) The following are exempt from the approval and
12 registration requirements of this chapter:

13 (1) a public security that is:

14 (A) not subject to mandatory renewal or renewal
15 at the option of any person, including the issuer, a holder, or a
16 bearer; and

17 (B) payable only out of:

18 (i) current revenues or taxes collected in
19 the year the public security is issued; or

20 (ii) the proceeds of other public
21 securities;

22 (2) a certificate in evidence of benefit assessments;

23 (3) a certificate of obligation, including a claim or
24 account that represents an undivided interest in a certificate of
25 obligation, that under Subchapter C, Chapter 271, Local Government
26 Code, an issuer is authorized to deliver to a contractor;

27 (4) a time warrant issued under Chapter 252 or 262,
28 Local Government Code;

29 (5) a public security authorized by Chapter 1371;

30 (6) a lease, lease-purchase, or installment sale
31 obligation, except as provided by other law; ~~and~~

1 (7) a public security that by rule the attorney
2 general exempts because it is not practical to require approval
3 before the public security's issuance; and

4 (8) a nonnegotiable note issued under Section 45.108,
5 Education Code, in a principal amount that does not exceed \$1
6 million.

7 (b) This section takes effect September 1, 2013.