

By: Pitts, Murphy, Cook, Crownover,
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H.B. No. 14

Substitute the following for H.B. No. 14:

By: Pitts

C.S.H.B. No. 14

A BILL TO BE ENTITLED

AN ACT

relating to the fiscal transparency and accountability of certain entities responsible for public money.

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

SECTION 1. Chapter 46, Education Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. PUBLIC INFORMATION REGARDING FACILITIES

Sec. 46.101. AVAILABILITY OF INFORMATION REGARDING FACILITIES. (a) For the purpose of providing information to the public regarding district or school facilities usage and taxpayer value, a school district or open-enrollment charter school shall:

(1) report data elements specified by commissioner rule to the agency through the Texas Student Data System (TSDS) or a successor data management system maintained by the agency; and

(2) provide a direct link on the district's or school's Internet website to the Texas Student Data System (TSDS) or a successor data management system maintained by the agency through which the facilities information relevant to the specific district or school may be readily accessed.

(b) The commissioner shall adopt rules necessary to implement this section, including rules ensuring that the Texas Student Data System (TSDS) or a successor data management system maintained by the agency includes appropriate data elements regarding school facilities usage and taxpayer value.

1 (c) The commissioner shall adopt rules for purposes of
2 Subsection (b) based on the recommendations of the Taxpayer Value
3 and School Facilities Usage Advisory Committee established under
4 Section 46.102. This subsection expires September 1, 2017.

5 Sec. 46.102. TAXPAYER VALUE AND SCHOOL FACILITIES USAGE
6 ADVISORY COMMITTEE. (a) The Taxpayer Value and School Facilities
7 Usage Advisory Committee is established to serve the function
8 specified by this section.

9 (b) The committee consists of:

10 (1) the commissioner and the comptroller, who serve as
11 co-chairs of the committee; and

12 (2) the following persons, appointed jointly by the
13 commissioner and comptroller:

14 (A) a current school board member;

15 (B) a current school district administrator;

16 (C) a current public school teacher;

17 (D) a parent of a student currently enrolled in a
18 public school;

19 (E) a representative of the school construction
20 industry, who may be an engineer, architect, or contractor;

21 (F) a representative of the construction
22 industry who does not work on school construction, who may be an
23 engineer, architect, or contractor; and

24 (G) a member of the public.

25 (c) The commissioner and comptroller shall make the
26 appointments required by Subsection (b) not later than October 15,
27 2013.

1 (d) The committee shall meet to develop recommendations
2 regarding the data that should be considered in evaluating a school
3 district's or open-enrollment charter school's facility usage and
4 taxpayer value with regard to school facility construction and
5 renovation. The committee shall hold its initial meeting as soon as
6 possible after the committee members are selected, but not later
7 than November 15, 2013.

8 (e) Not later than December 31, 2014, the committee shall
9 develop its final recommendations and submit a report to the
10 governor, lieutenant governor, and speaker of the house of
11 representatives. The committee shall also make the report
12 available electronically to members of the legislature.

13 (f) Based on the recommendations developed by the
14 committee, the commissioner shall:

15 (1) ensure that the Texas Student Data System (TSDS)
16 or a successor data management system maintained by the agency
17 includes appropriate data elements regarding school facilities;
18 and

19 (2) adopt rules for purposes of Section 46.101.

20 (g) A committee member is not entitled to reimbursement of
21 expenses or to compensation.

22 (h) Chapter 2110, Government Code, does not apply to the
23 committee.

24 (i) This section expires September 1, 2017.

25 SECTION 2. Section 51.005, Education Code, is amended to
26 read as follows:

27 Sec. 51.005. ANNUAL FINANCIAL REPORT [~~REPORTS~~]. (a) Each

1 institution of higher education shall:

2 (1) prepare a complete annual financial report as
3 prescribed by Section 2101.011, Government Code; and

4 (2) take action to ensure that the institution's most
5 recent annual financial report is posted continuously on the
6 institution's Internet website.

7 (b) Not later than November 30 of each year, each
8 institution of higher education shall take action to ensure that a
9 report showing the amount and a description of the institution's
10 outstanding debt on the last day of the preceding state fiscal year
11 is posted on the institution's Internet website. For a university
12 system, the report must show the aggregate outstanding debt for the
13 system and, to the extent that the debt is attributable to a
14 specific institution, the outstanding debt for each system
15 institution. In this subsection, "university system" has the
16 meaning assigned by Section 61.003.

17 (c) Each institution of higher education shall maintain or
18 cause to be maintained an Internet website to comply with this
19 section.

20 SECTION 3. Subchapter C, Chapter 61, Education Code, is
21 amended by adding Section 61.0621 to read as follows:

22 Sec. 61.0621. JUNIOR COLLEGE DISTRICT CONSTRUCTION COST
23 REPORTING. (a) The board shall require each junior college
24 district to report building construction costs and related
25 information to the board for the purpose of determining:

26 (1) the average cost per square foot, adjusted for
27 inflation for the region of the state in which the project is

1 located; and

2 (2) the average cost per full-time equivalent student
3 for each junior college district.

4 (b) The board, in consultation with the governing boards of
5 the state's junior college districts, shall prescribe the form,
6 manner, and times of reports required under this section.

7 (c) The board shall compile the information reported under
8 Subsection (a) for all junior college districts and periodically
9 report its findings to the districts. The board and each junior
10 college district shall take action to ensure that the board's
11 findings are posted on each respective entity's Internet website.

12 (d) The board shall adopt rules for the administration of
13 this section.

14 (e) In administering this section, the board shall attempt
15 to avoid duplicating other reporting requirements applicable to
16 junior college districts.

17 (f) Each junior college district shall maintain or cause to
18 be maintained an Internet website to comply with this section.

19 SECTION 4. Subchapter B, Chapter 403, Government Code, is
20 amended by adding Section 403.0117 to read as follows:

21 Sec. 403.0117. LOCAL TAX RATES PUBLISHED ON INTERNET. (a)
22 The comptroller shall publish on the comptroller's Internet
23 website, listed by county:

24 (1) the name of each political subdivision that
25 imposes a sales and use tax and the sales and use tax rate for the
26 political subdivision; and

27 (2) the tax rate information reported to the

1 comptroller by each county assessor-collector under Section
2 26.16(e), Tax Code.

3 (b) The comptroller shall update the information described
4 by Subsection (a) at least annually.

5 SECTION 5. Section 1202.008, Government Code, is amended to
6 read as follows:

7 Sec. 1202.008. COLLECTION AND REPORT OF INFORMATION ON
8 LOCAL [PUBLIC] SECURITIES [OF POLITICAL SUBDIVISIONS]. (a) In
9 this section, "local security" has the meaning assigned by Section
10 1231.001.

11 (b) In reviewing local [public] securities under this
12 chapter, the attorney general shall [may] collect, in the form
13 required by the Bond Review Board, information on each local
14 security [public securities issued by a municipal corporation or
15 political subdivision of this state].

16 (c) [(b)] The information must include:

17 (1) the terms of each local security [~~the public~~
18 ~~securities~~];

19 (2) the debt service payable on each local security
20 [~~the public securities~~]; and

21 (3) other information required by the Bond Review
22 Board.

23 (d) [(c)] The attorney general shall send the information
24 regarding each local security to the Bond Review Board not later
25 than the fifth day before the date the attorney general approves the
26 local security under Section 1202.003 [for inclusion in the board's
27 report of debt statistics under Section 1231.062].

1 (e) If an issuer has not provided the information required
2 by Subsection (c), the bond finance office at the Bond Review Board
3 shall notify the person listed as the contact for the issuer. The
4 notice must be in writing, describe the information that must be
5 submitted to the bond finance office, and inform the issuer that the
6 issuer will be placed on the noncompliance list if the information
7 is not provided as required by this subsection. An issuer must
8 provide the information described in the notice to the bond finance
9 office not later than the 60th day after the date the issuer
10 receives the notice. The bond finance office and the attorney
11 general shall maintain a noncompliance list of issuers that do not
12 provide the information in the manner provided by this subsection.

13 (f) The attorney general may not approve a local security
14 under Section 1202.003 submitted by an issuer that is included on
15 the noncompliance list described by Subsection (e) until the
16 attorney general receives written notification from the bond
17 finance office at the Bond Review Board that the office:

18 (1) has received the information required by
19 Subsection (c); or

20 (2) has agreed to a later date for the submission of
21 the information.

22 SECTION 6. The heading to Subtitle B, Title 9, Government
23 Code, is amended to read as follows:

24 SUBTITLE B. PROVISIONS APPLICABLE TO PUBLIC SECURITIES [~~ISSUED BY~~
25 ~~STATE GOVERNMENT~~]

26 SECTION 7. Section 1231.001, Government Code, is amended by
27 adding Subdivision (4) to read as follows:

1 (4) "Local security" means a public security as
2 defined by Section 1201.002, other than a state security.

3 SECTION 8. Subchapter B, Chapter 1231, Government Code, is
4 amended by adding Section 1231.024 to read as follows:

5 Sec. 1231.024. CONTRACTS TO COLLECT INFORMATION. The board
6 may enter into one or more contracts to procure services to collect
7 and maintain information regarding the indebtedness of state
8 agencies and local governments.

9 SECTION 9. Section 1231.062(b), Government Code, is amended
10 to read as follows:

11 (b) A report must include:

12 (1) total debt service as a percentage of total
13 expenditures;

14 (2) ad valorem tax-supported debt [~~service as a~~
15 ~~percentage of general revenue expenditure~~];

16 (3) [~~per capita~~] total revenue obligations [~~debt~~];

17 (4) ad valorem [~~per capita tax-supported debt,~~

18 [~~(5) total debt and tax-supported debt as a percentage~~
19 ~~of personal income,~~

20 [~~(6) total personal income per capita,~~

21 [~~(7) total debt per capita as a percentage of total~~
22 ~~personal income per capita,~~

23 [~~(8) total debt and~~] tax-supported debt as a
24 percentage of real property valuations;

25 (5) [~~(9) total debt and tax-supported debt as a~~
26 ~~percentage of annual revenues and expenditures,~~

27 [~~(10)~~] principal scheduled [~~required~~] to be repaid in

1 five years and [~~principal required to be repaid~~] in 10 years;
2 (6) [~~(11) growth rates of total debt per capita and~~
3 ~~total debt per dollar of personal income,~~
4 [~~(12)~~] recent issuances [~~trends in the issuance~~] of
5 short-term notes;
6 (7) [~~(13)~~] recent trends in issuance costs;
7 (8) [~~(14)~~] savings from recent refundings;
8 (9) debt outstanding [~~(15) recent trends in~~
9 ~~capitalized interest use,~~
10 [~~(16) debt service coverage ratios, if applicable~~];
11 and
12 (10) [~~(17)~~] other information the board considers
13 relevant.

14 SECTION 10. The heading to Section 1231.102, Government
15 Code, is amended to read as follows:

16 Sec. 1231.102. STATE SECURITIES ANNUAL REPORT.

17 SECTION 11. Subchapter F, Chapter 1231, Government Code, is
18 amended by adding Sections 1231.104 and 1231.105 to read as
19 follows:

20 Sec. 1231.104. LOCAL SECURITIES ANNUAL REPORT. Not later
21 than the 180th day after the last day of each state fiscal year, the
22 bond finance office shall publish a report listing:

- 23 (1) the amount of local securities outstanding;
- 24 (2) applicable repayment schedules; and
- 25 (3) other information the office considers relevant.

26 Sec. 1231.105. ONLINE ANNUAL LOCAL DEBT STATISTICS REPORT.
27 Not later than the 150th day after the last day of each state fiscal

1 year, the bond finance office shall publish on the office's
2 Internet website a report that includes the statistical information
3 listed in Section 1231.062(b) for all local securities for the
4 preceding fiscal year.

5 SECTION 12. Chapter 1251, Government Code, is amended by
6 designating Sections 1251.001, 1251.002, 1251.003, 1251.004,
7 1251.005, and 1251.006 as Subchapter A and adding a heading to
8 Subchapter A to read as follows:

9 SUBCHAPTER A. COUNTIES AND MUNICIPALITIES

10 SECTION 13. Chapter 1251, Government Code, is amended by
11 adding Subchapter B to read as follows:

12 SUBCHAPTER B. BOND MATTERS AFFECTING MORE THAN ONE TYPE OF
13 POLITICAL SUBDIVISION

14 Sec. 1251.051. DEFINITIONS. In this subchapter:

15 (1) "Debt obligation" means an issued public security,
16 as defined by Section 1201.002.

17 (2) "Political subdivision" means a county,
18 municipality, school district, junior college district, other
19 special district, or other subdivision of state government.

20 Sec. 1251.052. PUBLIC HEARING; VOTER INFORMATION DOCUMENT.

21 (a) Before a political subdivision may hold an election to
22 authorize the issuance of bonds, the governing body of the
23 political subdivision must conduct a public hearing at which
24 persons interested in the issuance of the bonds are given the
25 opportunity to be heard. The governing body must hold the hearing
26 not earlier than the 21st day or later than the first day before the
27 date the period for early voting by personal appearance begins for

1 the election, as determined under Section 85.001, Election Code.

2 (b) Not earlier than the 30th day or later than the 15th day
3 before the date of the hearing, the governing body of the political
4 subdivision shall take action to ensure that the notice of the
5 hearing and each voter information document described by Subsection
6 (c) are:

7 (1) provided by:

8 (A) publication in at least one newspaper of
9 general circulation in the county in which the political
10 subdivision is wholly or primarily located;

11 (B) inclusion in the political subdivision's
12 newsletter or circular mailed or delivered to each registered voter
13 in the political subdivision; or

14 (C) mail or hand delivery to each registered
15 voter in the political subdivision; and

16 (2) posted on the political subdivision's Internet
17 website, or on a website as authorized by Section 1251.054(b)(2),
18 until the conclusion of the hearing.

19 (c) The governing body of the political subdivision shall
20 take action to ensure that a separate voter information document is
21 prepared for each proposition to be discussed at the hearing. Each
22 voter information document must distinctly state:

23 (1) the language that will appear on the ballot;

24 (2) the purpose for which the bonds are to be
25 authorized;

26 (3) that taxes sufficient to pay the annual principal
27 of and interest on the bonds may be imposed;

1 (4) the maximum rate of interest for the bonds to be
2 authorized;

3 (5) the maturity date of the bonds to be authorized or
4 that the bonds may be issued to mature over a specified number of
5 years not to exceed 40 years from the date the bonds are issued;

6 (6) the following information formatted as a table, as
7 of the date the political subdivision adopts the bond election
8 order:

9 (A) the principal of all outstanding debt
10 obligations of the political subdivision;

11 (B) the estimated remaining interest of all
12 outstanding debt obligations of the political subdivision; and

13 (C) the estimated combined principal and
14 interest required to pay all outstanding debt obligations of the
15 political subdivision on time and in full;

16 (7) the following information formatted as a second
17 table:

18 (A) as a total amount and, if the political
19 subdivision is a municipality, county, or school district, as a per
20 capita amount:

21 (i) the principal of the bonds to be
22 authorized;

23 (ii) the estimated interest for the bonds
24 to be authorized;

25 (iii) the estimated combined principal and
26 interest required to pay the bonds to be authorized on time and in
27 full;

1 (iv) as of the date the political
2 subdivision adopts the bond election order, the principal of all
3 outstanding debt obligations of the political subdivision secured
4 by ad valorem taxation;

5 (v) as of the date the political
6 subdivision adopts the bond election order, the estimated remaining
7 interest of all outstanding debt obligations of the political
8 subdivision secured by ad valorem taxation; and

9 (vi) as of the date the political
10 subdivision adopts the bond election order, the estimated combined
11 principal and interest required to pay all outstanding debt
12 obligations of the political subdivision secured by ad valorem
13 taxation on time and in full;

14 (B) the property tax debt rate expressed in
15 dollars per \$100 valuation of all taxable property in the political
16 subdivision, stated as:

17 (i) the existing rate;
18 (ii) the estimated rate if the bonds are
19 authorized; and

20 (iii) the estimated percentage increase in
21 the rate if the bonds are authorized; and

22 (C) the amount of the property tax debt levy of
23 the political subdivision per residence based on the current
24 average residential property value in the political subdivision,
25 stated as:

26 (i) the existing levy;
27 (ii) the estimated levy if the bonds are

1 authorized; and

2 (iii) the estimated percent increase in the
3 levy if the bonds are authorized; and

4 (8) any other information that the political
5 subdivision considers relevant or necessary to explain the values
6 required by Subdivisions (4), (5), (6), and (7), including:

7 (A) an amount required by Subdivision (7)(A)
8 stated as a per capita amount if the political subdivision is not
9 required to provide the amount under that paragraph;

10 (B) an explanation of the payment sources for the
11 different types of debt; and

12 (C) a value for the following expressed as a
13 projection as of the last day of the maximum term of the bonds to be
14 authorized:

15 (i) a per capita amount required by
16 Subdivision (7)(A);

17 (ii) an estimated rate required by
18 Subdivision (7)(B)(ii); and

19 (iii) an estimated levy required by
20 Subdivision (7)(C)(ii).

21 (d) Each voter information document required by Subsection
22 (c) must be printed:

23 (1) on not more than two pages that are not wider than
24 8-1/2 inches and not longer than 14 inches;

25 (2) in type not smaller than 12-point type; and

26 (3) in the form prescribed by the secretary of state.

27 (e) The governing body of the political subdivision must

1 make a copy of each voter information document available to each
2 individual attending the hearing.

3 (f) The secretary of state by rule shall prescribe the form
4 of a voter information document.

5 (g) The Texas Ethics Commission shall provide guidelines
6 for political subdivisions regarding how to conduct a hearing under
7 this section and how to provide additional information on the form
8 prescribed by the secretary of state under Subsection (f) without
9 violating electioneering and political advertising laws, including
10 Section 255.003, Election Code, and Section 11.169, Education Code.

11 (h) A good faith estimate in a voter information document of
12 an estimate required by Subsections (c)(6) and (7) or an estimate or
13 projection authorized by Subsection (c)(8) does not constitute a
14 breach of contract with the voters solely because the estimate or
15 projection is later determined to be incorrect.

16 Sec. 1251.053. ONLINE SAMPLE BALLOT. The governing body of
17 a political subdivision shall take action to ensure that a sample of
18 the ballot printed for an election to authorize a political
19 subdivision to issue bonds is posted on the political subdivision's
20 Internet website, or on a website as authorized by Section
21 1251.054(b)(2), as soon as practicable after the official ballots
22 have been prepared and remains posted until the day following the
23 election.

24 Sec. 1251.054. INTERNET WEBSITE. (a) Except as provided by
25 Subsection (b), a political subdivision shall maintain or cause to
26 be maintained an Internet website to comply with this subchapter.

27 (b) This subsection does not apply to a county or

1 municipality with a population of more than 2,000 or a school
2 district or a junior college district. If a political subdivision
3 did not maintain an Internet website or cause a website to be
4 maintained on January 1, 2013, the political subdivision shall post
5 the information required by Section 1251.052 on:

6 (1) the political subdivision's website, if the
7 political subdivision chooses to maintain the website or cause the
8 website to be maintained; or

9 (2) a website in which the political subdivision
10 controls the content of the posting, including a social media site,
11 provided that the information is easily found by searching the name
12 of the political subdivision on the Internet.

13 SECTION 14. Section 140.005, Local Government Code, is
14 transferred to Subchapter D, Chapter 12, Education Code,
15 redesignated as Section 12.1191, Education Code, and amended to
16 read as follows:

17 Sec. 12.1191 [~~140.005~~]. ANNUAL FINANCIAL STATEMENT OF
18 CHARTER SCHOOL [~~, ROAD, OR OTHER DISTRICT~~]. (a) The governing body
19 of an [~~a school district,~~] open-enrollment charter school [~~, junior~~
20 ~~college district, or a district or authority organized under~~
21 ~~Article III, Section 52, or Article XVI, Section 59, of the Texas~~
22 ~~Constitution,~~] shall prepare an annual financial statement showing
23 for each fund subject to the authority of the governing body during
24 the fiscal year:

25 (1) the total receipts of the fund, itemized by source
26 of revenue, including taxes, assessments, service charges, grants
27 of state money, gifts, or other general sources from which funds are

1 derived;

2 (2) the total disbursements of the fund, itemized by
3 the nature of the expenditure; and

4 (3) the balance in the fund at the close of the fiscal
5 year.

6 (b) The governing body of an open-enrollment charter school
7 shall take action to ensure that the school's annual financial
8 report is made available in the manner provided by Chapter 552,
9 Government Code, and is posted continuously on the school's
10 Internet website.

11 (c) An open-enrollment charter school shall maintain or
12 cause to be maintained an Internet website to comply with this
13 section.

14 SECTION 15. Chapter 140, Local Government Code, is amended
15 by adding Section 140.008 to read as follows:

16 Sec. 140.008. ANNUAL FINANCIAL REPORT; DEBT INFORMATION.

17 (a) In this section:

18 (1) "Debt obligation" means an issued public security,
19 as defined by Section 1201.002, Government Code.

20 (2) "Political subdivision" means a county,
21 municipality, school district, junior college district, other
22 special district, or other subdivision of state government.

23 (b) Except as provided by Subsections (c) and (d), a
24 political subdivision shall prepare an annual financial report that
25 includes:

26 (1) financial information for each fund subject to the
27 authority of the governing body of the political subdivision during

1 the fiscal year, including:

2 (A) the total receipts of the fund, itemized by
3 source of revenue, including taxes, assessments, service charges,
4 grants of state money, gifts, or other general sources from which
5 funds are derived;

6 (B) the total disbursements of the fund, itemized
7 by the nature of the expenditure;

8 (C) the balance in the fund as of the last day of
9 the fiscal year; and

10 (D) any other information required by law to be
11 included by the political subdivision in an annual financial report
12 or comparable annual financial statement, exhibit, or report;

13 (2) as of the last day of the preceding fiscal year,
14 debt obligation information for the political subdivision that must
15 state:

16 (A) the amount of all authorized debt
17 obligations;

18 (B) the principal of all outstanding debt
19 obligations;

20 (C) the principal of each outstanding debt
21 obligation;

22 (D) the combined principal and interest required
23 to pay all outstanding debt obligations on time and in full;

24 (E) the combined principal and interest required
25 to pay each outstanding debt obligation on time and in full;

26 (F) the amounts required by Paragraphs (A)-(E)
27 limited to authorized and outstanding debt obligations secured by

1 ad valorem taxation, expressed as a total amount and, if the
2 political subdivision is a municipality, county, or school
3 district, as a per capita amount; and

4 (G) the following for each debt obligation:

5 (i) the issued and unissued amount;

6 (ii) the spent and unspent amount;

7 (iii) the maturity date; and

8 (iv) the stated purpose for which the debt
9 obligation was authorized; and

10 (3) any other information that the political
11 subdivision considers relevant or necessary to explain the values
12 required by Subdivisions (2)(A)-(F), including:

13 (A) an amount required by Subdivision (2)(F)
14 stated as a per capita amount if the political subdivision is not
15 required to provide the amount under that paragraph;

16 (B) an explanation of the payment sources for the
17 different types of debt; and

18 (C) a projected per capita amount of an amount
19 required by Subdivision (2)(F), as of the last day of the maximum
20 term of the most recent debt obligation issued by the political
21 subdivision.

22 (c) Instead of replicating in the annual financial report
23 information required by Subsection (b) that is posted separately on
24 the political subdivision's Internet website, or on a website as
25 authorized by Subsection (g)(2), the political subdivision may
26 provide in the report a direct link to, or a clear statement
27 describing the location of, the separately posted information.

1 (d) As an alternative to preparing an annual financial
2 report, a political subdivision may provide to the comptroller the
3 information described by Subsection (b) and any other related
4 information required by the comptroller in the form and in the
5 manner prescribed by the comptroller. The comptroller shall post
6 the information on the comptroller's Internet website in the format
7 that the comptroller determines is appropriate. The political
8 subdivision shall provide a link from the political subdivision's
9 website, or a website as authorized by Subsection (g)(2), to the
10 location on the comptroller's website where the political
11 subdivision's financial information may be viewed. The comptroller
12 shall adopt rules necessary to implement this subsection.

13 (e) Except as provided by Subsection (d), the governing body
14 of a political subdivision shall take action to ensure that:

15 (1) the political subdivision's annual financial
16 report is made available for inspection by any person and is posted
17 continuously on the political subdivision's Internet website, or on
18 a website as authorized by Subsection (g)(2), until the political
19 subdivision posts the next annual financial report; and

20 (2) the contact information for the main office of the
21 political subdivision is continuously posted on the website,
22 including the physical address, the mailing address, the main
23 telephone number, and an e-mail address.

24 (f) Except as provided by Subsection (g), a political
25 subdivision shall maintain or cause to be maintained an Internet
26 website to comply with this section.

27 (g) This subsection does not apply to a county or

1 municipality with a population of more than 2,000 or a school
2 district or a junior college district. If a political subdivision
3 did not maintain an Internet website or cause a website to be
4 maintained on January 1, 2013, the political subdivision shall post
5 the information required by this section on:

6 (1) the political subdivision's website, if the
7 political subdivision chooses to maintain the website or cause the
8 website to be maintained; or

9 (2) a website in which the political subdivision
10 controls the content of the posting, including a social media site,
11 provided that the information is easily found by searching the name
12 of the political subdivision on the Internet.

13 SECTION 16. Section 271.047, Local Government Code, is
14 amended by adding Subsection (d) to read as follows:

15 (d) Except as provided by this subsection, the governing
16 body of an issuer may not authorize a certificate to pay a
17 contractual obligation to be incurred if a bond proposition to
18 authorize the issuance of bonds for the same purpose was submitted
19 to the voters during the preceding three years and failed to be
20 approved. A governing body may authorize a certificate that the
21 governing body is otherwise prohibited from authorizing under this
22 subsection:

23 (1) in a case described by Sections 271.056(1)-(3);
24 and

25 (2) to comply with a state or federal law, rule, or
26 regulation if the political subdivision has been officially
27 notified of noncompliance with the law, rule, or regulation.

1 SECTION 17. Section 271.049, Local Government Code, is
2 amended by amending Subsections (a), (b), and (d) and adding
3 Subsections (e), (f), and (g) to read as follows:

4 (a) Regardless of the sources of payment of certificates,
5 certificates may not be issued unless the issuer publishes notice
6 of its intention to issue the certificates. The notice must be
7 published:

8 (1) once a week for two consecutive weeks in a
9 newspaper, as defined by Subchapter C, Chapter 2051, Government
10 Code, that is of general circulation in the area of the issuer, with
11 the date of the first publication to be before the 45th [30th] day
12 before the date tentatively set for the passage of the order or
13 ordinance authorizing the issuance of the certificates; and

14 (2) continuously on the issuer's Internet website, or
15 on a website as authorized by Subsection (f)(2), for at least 45
16 days before the date tentatively set for the passage of the order or
17 ordinance authorizing the issuance of the certificates and until
18 the first day after the date the issuer adopts the order or
19 ordinance.

20 (b) The notice must state:

21 (1) the time and place tentatively set for the passage
22 of the order or ordinance authorizing the issuance of the
23 certificates;

24 (2) the ~~[maximum amount and]~~ purpose of the
25 certificates to be authorized; ~~[and]~~

26 (3) the manner in which the certificates will be paid
27 for, whether by taxes, revenues, or a combination of the two;

1 (4) as of the date the issuer adopts the order or
2 ordinance, the principal of all outstanding debt obligations of the
3 issuer;

4 (5) as of the date the issuer adopts the order or
5 ordinance, the estimated remaining interest of all outstanding debt
6 obligations of the issuer;

7 (6) as of the date the issuer adopts the order or
8 ordinance, the estimated combined principal and interest required
9 to pay all outstanding debt obligations of the issuer on time and in
10 full;

11 (7) the maximum principal of the certificates to be
12 authorized; and

13 (8) the process by which a petition may be submitted
14 requesting an election on the issuance of the certificates, in the
15 following form:

16 "Five percent of the qualified voters of (name of issuer) may
17 petition to require an election to be held authorizing the issuance
18 of certificates of obligation by delivering a signed petition to
19 the (insert "secretary or clerk" if the issuer is a municipality, or
20 "county clerk" if the issuer is a county) of (name of issuer)
21 before the date the governing body has set for the authorization of
22 the certificates of obligation. Information about the requirements
23 of the petition may be obtained from the (insert "secretary or
24 clerk" if the issuer is a municipality, or "county clerk" if the
25 issuer is a county) of (name of issuer)."~~[-]~~

26 (d) This section does not apply to certificates issued for
27 the purposes described by Sections 271.056(1)-(3)

1 ~~[271.056(1)-(4)]~~.

2 (e) Except as provided by Subsection (f), an issuer shall
3 maintain or cause to be maintained an Internet website to comply
4 with this section.

5 (f) This subsection does not apply to a county or
6 municipality with a population of more than 2,000. If an issuer did
7 not maintain an Internet website or cause a website to be maintained
8 on January 1, 2013, the issuer shall post the information required
9 by Subsection (b) on:

10 (1) the issuer's website, if the issuer chooses to
11 maintain the website or cause the website to be maintained; or

12 (2) a website in which the issuer controls the content
13 of the posting, including a social media site, provided that the
14 information is easily found by searching the name of the issuer on
15 the Internet.

16 (g) In this section, "debt obligation" means an issued
17 public security, as defined by Section 1201.002, Government Code,
18 that is payable from and secured by ad valorem taxes.

19 SECTION 18. Title 1, Special District Local Laws Code, is
20 amended by adding Chapter 2 to read as follows:

21 CHAPTER 2. COMPREHENSIVE REVIEW OF CERTAIN SPECIAL DISTRICTS

22 Sec. 2.001. DEFINITION. In this chapter, "special
23 district" means a political subdivision of this state that has a
24 limited geographic area, is created by local law or under general
25 law for a special purpose, and is authorized to impose a tax,
26 assessment, or fee. The term does not include:

27 (1) a school district;

- 1 (2) a junior college district; or
- 2 (3) a political subdivision that receives financial
- 3 assistance through the state water implementation fund created by
- 4 the 83rd Legislature, Regular Session, 2013.

5 Sec. 2.002. COMPREHENSIVE REVIEW REQUIRED. (a) At least

6 once every six years, the governing body of a special district that

7 has outstanding debt or imposes a tax, assessment, or fee shall

8 conduct a comprehensive review of the district under this chapter.

9 (b) The governing body of a special district that issues

10 debt or imposes a tax, assessment, or fee for the first time on or

11 after September 1, 2013, shall conduct the first comprehensive

12 review not later than the third anniversary of the date the

13 governing body issues the debt or imposes the tax, assessment, or

14 fee.

15 Sec. 2.003. COMPREHENSIVE SELF-EVALUATION REPORT. (a)

16 After conducting the review, the governing body must publish a

17 written self-evaluation report not later than the 30th day before

18 the date of the public hearing required by Section 2.005.

19 (b) Except as provided by Subsection (c), the

20 self-evaluation report must include:

21 (1) an identification of the statutory provision

22 authorizing the special district;

23 (2) an identification of the purpose of the special

24 district and an assessment of the extent to which the purpose has

25 been achieved, has failed to be achieved, or is continuing to be

26 achieved;

27 (3) an identification of the activities of the special

1 district that overlap or duplicate those of other governmental
2 entities;

3 (4) an identification of each tax, assessment, fee, or
4 penalty that the special district is authorized to impose or
5 collect;

6 (5) a statement of the revenue collected by the
7 special district and an assessment of whether the revenue exceeds
8 the amount needed to accomplish the purpose of the district; and

9 (6) an identification of the special district's
10 financial liabilities, including bonds and other obligations.

11 (c) Instead of replicating in the self-evaluation report
12 information required by Subsection (b) that is posted separately on
13 the special district's Internet website, or on a website as
14 authorized by Section 2.006(b)(2), the district may provide in the
15 report a direct link to, or a clear statement describing the
16 location of, the separately posted information.

17 (d) The governing body must make the self-evaluation report
18 available for inspection by any person. The governing body must
19 take action to ensure that the self-evaluation report is posted
20 continuously on the special district's Internet website, or on a
21 website as authorized by Section 2.006(b)(2).

22 Sec. 2.004. NOTICE OF HEARING. (a) Not earlier than the
23 30th day or later than the 15th day before the date of the hearing
24 required by Section 2.005, the governing body of the special
25 district shall take action to ensure that the notice of the hearing
26 is published in at least one newspaper of general circulation in the
27 county in which the district is located and on the district's

1 Internet website, or on a website as authorized by Section
2 2.006(b)(2). The notice on the website must remain posted until the
3 conclusion of the hearing.

4 (b) The notice must contain a statement in the following
5 form:

6 "NOTICE OF PUBLIC MEETING TO CONSIDER THE COMPREHENSIVE
7 SELF-EVALUATION REPORT OF THE (INSERT NAME OF SPECIAL DISTRICT)

8 "The (insert name of the district) was created in (insert
9 year) to (insert purpose for district's creation). The district
10 imposes a (insert type of tax, assessment, or fee, as appropriate,
11 and the appropriate rate or amount). State law requires the
12 district to hold a hearing at least every six years to consider the
13 district's comprehensive self-evaluation report. The hearing will
14 be held on (insert date) at (insert time) at (insert location). A
15 copy of the district's comprehensive self-evaluation report is
16 available at (insert the physical address of the district's main
17 office, or the physical address of the main office of another local
18 political subdivision if the district does not maintain an office,
19 and the website address where the comprehensive self-evaluation
20 report is posted)."

21 Sec. 2.005. PUBLIC HEARING. (a) The governing body of a
22 special district must conduct a public hearing at which persons
23 interested in the self-evaluation report are given the opportunity
24 to be heard.

25 (b) Not later than the 10th day after the date of the public
26 hearing, the governing body shall take action to ensure that the
27 following is posted on the special district's Internet website, or

1 on a website as authorized by Section 2.006(b)(2):

2 (1) the minutes of the hearing;

3 (2) the estimated number of members of the public in
4 attendance at the hearing; and

5 (3) the number of witnesses testifying at the hearing.

6 Sec. 2.006. INTERNET WEBSITE. (a) Except as provided by
7 Subsection (b), a special district shall maintain or cause to be
8 maintained an Internet website to comply with this chapter.

9 (b) If a special district did not maintain an Internet
10 website or cause a website to be maintained on January 1, 2013, the
11 special district shall post the information required by this
12 chapter on:

13 (1) the special district's website, if the special
14 district chooses to maintain the website or cause the website to be
15 maintained; or

16 (2) a website in which the special district controls
17 the content of the posting, including a social media site, provided
18 that the information is easily found by searching the name of the
19 special district on the Internet.

20 SECTION 19. The heading to Section 26.16, Tax Code, is
21 amended to read as follows:

22 Sec. 26.16. REPORTING OF TAX RATES AND POSTING OF [TAX]
23 RATES ON THE [COUNTY'S] INTERNET [WEBSITE].

24 SECTION 20. Section 26.16, Tax Code, is amended by amending
25 Subsections (a), (b), and (e) and adding Subsections (f) and (g) to
26 read as follows:

27 (a) Except as provided by Subsection (g), the [The] county

1 assessor-collector for each county, including those that do not
2 participate in the assessment or collection of property taxes,
3 shall maintain or cause to be maintained [~~that maintains~~] an
4 Internet website. The county assessor-collector shall post on the
5 assessor-collector's website or on the website of the county or
6 shall provide on at least one of those websites a link to the
7 location on the comptroller's website where may be viewed the
8 following information for the most recent five tax years beginning
9 with the 2012 tax year for each taxing unit all or part of the
10 territory of which is located in the county:

- 11 (1) the adopted tax rate;
- 12 (2) the maintenance and operations rate;
- 13 (3) the debt rate;
- 14 (4) the effective tax rate;
- 15 (5) the effective maintenance and operations rate; and
- 16 (6) the rollback tax rate.

17 (b) Each taxing unit [~~all or part of the territory of which~~
18 ~~is located in the county~~] shall annually provide the information
19 described by Subsection (a) pertaining to the taxing unit to the
20 county assessor-collector of each county in which all or part of the
21 taxing unit's territory is located [~~annually~~] following the
22 adoption of a tax rate by the taxing unit for the current tax year.
23 The chief appraiser of the appraisal district established in the
24 county may assist the county assessor-collector in identifying the
25 taxing units required to provide information to the
26 assessor-collector.

27 (e) The county assessor-collector for each county shall

1 report the tax rate information described by Subsection (a) for the
2 current tax year to the comptroller.

3 (f) The comptroller by rule shall prescribe the time and
4 manner in which the information described by this section is
5 required to be reported and published [~~presented~~].

6 (g) If a county assessor-collector or the county served by
7 the assessor-collector did not maintain or cause to be maintained
8 an Internet website on January 1, 2013, and the county has a
9 population of 2,000 or less, the assessor-collector shall:

10 (1) post the information required by Subsection (a)
11 on:

12 (A) the assessor-collector's or county's
13 website, if the assessor-collector or county chooses to maintain
14 the website or cause the website to be maintained; or

15 (B) a website in which the assessor-collector or
16 county controls the content of the posting, including a social
17 media site, provided that the information is easily found by
18 searching the name of the county or the assessor-collector on the
19 Internet; or

20 (2) provide on at least one website a link to the
21 information on the comptroller's website, provided that the link is
22 easily found by searching the name of the county or the
23 assessor-collector on the Internet.

24 SECTION 21. Section 140.006, Local Government Code, is
25 repealed.

26 SECTION 22. (a) Section 46.101, Education Code, as added
27 by this Act, applies to a school district or open-enrollment

1 charter school beginning on the effective date of rules adopted by
2 the commissioner of education under Section 46.101(b), Education
3 Code, as added by this Act.

4 (b) Section 1251.052, Government Code, as added by this Act,
5 applies only to a bond election ordered on or after the effective
6 date of this Act. A bond election ordered before the effective date
7 of this Act is governed by the law in effect when the bond election
8 was ordered, and the former law is continued in effect for that
9 purpose.

10 (c) Not later than January 1, 2014, the secretary of state
11 shall make available on the secretary of state's Internet website a
12 form of the voter information document described by Section
13 1251.052(c), Government Code, as added by this Act.

14 (d) Not later than January 1, 2014, the Texas Ethics
15 Commission shall make available on the Texas Ethics Commission's
16 Internet website the guidelines required by Section 1251.052(g),
17 Government Code, as added by this Act.

18 (e) The governing body of a school district or junior
19 college district required to publish an annual financial statement
20 under former Section 140.006, Local Government Code, shall publish
21 an annual financial statement for the last fiscal year ending
22 before the effective date of this Act for which the district has not
23 published an annual financial statement.

24 (f) Section 140.008, Local Government Code, as added by this
25 Act, applies only to an annual financial report for a fiscal year
26 ending on or after the effective date of this Act. An annual
27 financial report for a fiscal year ending before the effective date

1 of this Act is governed by the law in effect when the fiscal year
2 ended, and the former law is continued in effect for that purpose.

3 (g) The changes in law made by this Act to Section 271.049,
4 Local Government Code, apply only to a certificate of obligation
5 for which the first notice of intention to issue the certificate is
6 made on or after the effective date of this Act. A certificate of
7 obligation for which the first notice of intention to issue the
8 certificate is made before the effective date of this Act is
9 governed by the law in effect when the notice of intention is made,
10 and the former law is continued in effect for that purpose.

11 (h) The governing body of a special district to which
12 Section 2.002, Special District Local Laws Code, as added by this
13 Act, applies that has issued debt or imposed a tax, assessment, or
14 fee before the effective date of this Act must conclude the first
15 comprehensive review cycle required by that section not later than
16 September 1, 2014.

17 SECTION 23. This Act takes effect September 1, 2013.