BILL ANALYSIS

BACKGROUND AND PURPOSE

Interested parties believe that there should be more transparency requirements for the disclosure of debt information to voters who are presented with a ballot proposition for approval of the issuance of bonds or for a tax issue. C.S.H.B. 1380 seeks to impose these requirements.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

C.S.H.B. 1380 amends the Election Code to expand the information that must be specifically stated with respect to a ballot proposition seeking voter approval of the issuance of bonds to include, if the issuer is a political subdivision, including a county, city, school district, or other special district:

- the total amount of the political subdivision's outstanding debt on the first day of the fiscal year in which the election is held;

- the total amount of the political subdivision's debt payments on the first day of the fiscal year in which the election is held;

- the total amount of the political subdivision's debt obligations on the first day of the fiscal year in which the election is held, stated as a per capita amount for the political subdivision's population; and

- the estimated tax rate if the bonds are authorized, stated as a per capita amount for the political subdivision's population.

The bill expands the information that must be specifically stated with respect to a proposition that only seeks voter approval of the imposition or increase of a tax to include, if the authority holding the election is a political subdivision, including a county, city, school district, or other special district:

- the tax rate increase if the imposition or increase is approved, stated as a per capita amount for the political subdivision's population; and

- a detailed description of the purposes for which the tax is to be imposed or increased, if approved.

The bill expands the information that must be specifically stated with respect to a proposition

that only seeks voter approval of the reduction of a tax to include, if the authority holding the election is a political subdivision, including a county, city, school district, or other special district, the estimated tax rate reduction, stated as a per capita amount for the political subdivision's population.

C.S.H.B. 1380 prohibits a proposition submitted to the voters for approval of the issuance of bonds or the imposition, increase, or reduction of a tax from exceeding 5,000 characters or a different limit prescribed by the secretary of state that ensures that the length of the proposition does not exceed one page of the ballot or one screen on an electronic voting machine.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1380 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED	HOUSE COMMITTEE SUBSTITUTE
SECTION 1. Chapter 52, Election Code is amended as follows:	SECTION 1. Section 52.072, Election Code, is amended by amending Subsection (e) and adding Subsection (f) to read as follows:
ELECTION CODE Sec. 52.072. PROPOSITIONS. (a) Except as otherwise provided by law, the authority ordering the election shall prescribe the wording of a proposition that is to appear on the ballot. (b) A proposition shall be printed on the ballot in the form of a single statement and may appear on the ballot only once. (c) Except as provided by Subsection (d), in an election in which an office and a measure are to be voted on, each proposition stating a measure shall appear on the ballot after the listing of offices. (d) If an election of officers is contingent on the adoption of a proposition appearing on the same ballot, the proposition shall appear on the ballot before the listing of offices.	
(e) In addition to any other requirement imposed by law for a proposition, including a provision prescribing the proposition language, a proposition submitted to the voters for approval of the issuance of bonds or the imposition, increase, or reduction of a tax shall <u>for any political subdivision, including municipalities, counties, school districts, and special taxing districts</u> specifically state, as applicable: (1) with respect to a proposition seeking	(e) In addition to any other requirement imposed by law for a proposition, including a provision prescribing the proposition language, a proposition submitted to the voters for approval of the issuance of bonds or the imposition, increase, or reduction of a tax shall specifically state, as applicable: (1) with respect to a proposition seeking

voter approval of the issuance of bonds:

voter approval of the issuance of bonds:
(A)   the total principal amount of the bonds to be authorized, if approved; [and]
(B)   a general description of the purposes for which the bonds are to be authorized, if approved; and
(C)   if the issuer is a political subdivision, including a county, city, school district, or other special district:
(i)   the total amount of the political subdivision's outstanding debt on the first day of the fiscal year in which the election is held;
(ii)   the total amount of the political subdivision's debt payments on the first day of the fiscal year in which the election is held;
(iii)   the total amount of the political subdivision's debt obligations on the first day of the fiscal year in which the election is held, stated as a per capita amount for the political subdivision's population; and
(iv)   the estimated tax rate if the bonds are authorized, stated as a per capita amount for the political subdivision's population;

(A)   the total amount of the political subdivision's debt currently outstanding;

(B)   the total amount of the political subdivision's current debt payments;

(C)   the total amount of the political subdivision's current debt obligations per capita;
(D) the total principal amount of the bonds to be authorized, if approved; and
(E)   the estimated tax burden per capita of the bonds to be authorized, if approved; and
(BF)   a general description of the purposes for which the bonds are to be authorized, if approved;.

(2)   with respect to a proposition that only seeks voter approval of the imposition or increase of a tax,:
(A)   the amount of or maximum tax rate of the tax or tax increase for which approval is sought; -e-r

(2)   with respect to a proposition that only seeks voter approval of the imposition or increase of a tax:
(A)   [,] the amount of or maximum tax rate of the tax or tax increase for which approval is sought; and
(B)   if the authority holding the election is a political subdivision, including a county, city, school district, or other special district:
(i)   the tax rate increase if the imposition or increase is approved, stated as a per capita amount for the political subdivision's population; and
(ii)   a detailed description of the purposes for which the tax is to be imposed or increased, if approved; or

(B)the estimated tax burden per capita of the imposition or increase of a tax, if approved; and

(C)a detailed description of the purposes for which the tax is to be imposed or increased, if approved.
(3)   with respect to a proposition that only seeks voter approval of the reduction of a tax,:

(3)   with respect to a proposition that only seeks voter approval of the reduction of a tax:
(A)   [,] the amount of tax rate reduction or the tax rate for which approval is sought; and
(B)   if the authority holding the election is a political subdivision, including a county, city, school district, or other special district, the estimated tax rate reduction,

(A)   the amount of tax rate reduction or the tax rate for which approval is sought.; and

(B)   the estimated tax reduction per capita of

the imposition or increase of a tax, if approved.	stated as a per capita amount for the political subdivision's population.
No equivalent provision.	(f) A proposition to which Subsection (e) applies may not exceed: (1) 5,000 characters; or (2) a different limit prescribed by the secretary of state that ensures that the length of the proposition does not exceed one page of the ballot or one screen on an electronic voting machine.
No equivalent provision.	SECTION 2. The change in law made by this Act applies only to an election ordered on or after the effective date of this Act. An election ordered before the effective date of this Act is governed by the law in effect when the election was ordered.
No equivalent provision.	SECTION 3. This Act takes effect September 1, 2015.