AN ACT relating to public access to financial and tax rate information of certain special purpose districts; imposing a civil penalty.

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

SECTION 1. Subchapter B, Chapter 403, Government Code, is amended by adding Sections 403.0241 and 403.0242 to read as follows:

Sec. 403.0241. SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE. (a) In this section:

(1) “Special purpose district” means a political subdivision of this state with geographic boundaries that define the subdivision’s territorial jurisdiction. The term does not include a municipality, county, junior college district, independent school district, or political subdivision with statewide jurisdiction.

(2) “Tax year” has the meaning assigned by Section 1.04, Tax Code.

(b) The comptroller shall create and make accessible on the Internet a database, to be known as the Special Purpose District Public Information Database, that contains information regarding all special purpose districts of this state that:

(1) are authorized by the state by a general or special law to impose an ad valorem tax or a sales and use tax, to impose an assessment, or to charge a fee; and
(2) during the most recent fiscal year:
   (A) had bonds outstanding;
   (B) had gross receipts from operations, loans, taxes, or contributions in excess of $250,000; or
   (C) had cash and temporary investments in excess of $250,000.

(c) For each special purpose district described by Subsection (b), the database must include:
   (1) the name of the special purpose district;
   (2) the name of each board member of the special purpose district;
   (3) contact information for the main office of the special purpose district, including the physical address, the mailing address, and the main telephone number;
   (4) if the special purpose district employs a person as a general manager or executive director, or in another position to perform duties or functions comparable to those of a general manager or executive director, the name of the employee;
   (5) if the special purpose district contracts with a utility operator, contact information for a person representing the utility operator, including a mailing address and a telephone number;
   (6) if the special purpose district contracts with a tax assessor-collector, contact information for a person representing the tax assessor-collector, including a mailing address and telephone number;
   (7) the special purpose district's Internet website...
address, if any;

(8) the information the special purpose district is required to report under Section 140.008(b) or (g), Local Government Code, including any revenue obligations;

(9) the total amount of bonds authorized by the voters of the special purpose district that are payable wholly or partly from ad valorem taxes, excluding refunding bonds if refunding bonds were separately authorized and excluding contract revenue bonds;

(10) the aggregate initial principal amount of all bonds issued by the special purpose district that are payable wholly or partly from ad valorem taxes, excluding refunding bonds and contract revenue bonds;

(11) the rate of any sales and use tax the special purpose district imposes; and

(12) for a special purpose district that imposes an ad valorem tax:

(A) the ad valorem tax rate for the most recent tax year if the district is a district as defined by Section 49.001, Water Code; or

(B) the table of ad valorem tax rates for the most recent tax year described by Section 26.16, Tax Code, in the form required by that section, if the district is not a district as defined by Section 49.001, Water Code.

(d) The comptroller may consult with the appropriate officer of, or other person representing, each special purpose district to obtain the information necessary to operate and update the database.
(e) To the extent information required in the database is otherwise collected or maintained by a state agency or special purpose district, the comptroller may require the state agency or special purpose district to provide that information and updates to the information as necessary for inclusion in the database.

(f) The comptroller shall update information in the database annually.

(g) The comptroller may not charge a fee to the public to access the database.

(h) The comptroller may establish procedures and adopt rules to implement this section.

Sec. 403.0242. SPECIAL PURPOSE DISTRICT NONCOMPLIANCE LIST. The comptroller shall prepare and maintain a noncompliance list of special purpose districts that have not timely complied with a requirement to provide information under Section 203.062, Local Government Code.

SECTION 2. Chapter 203, Local Government Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. RECORDS AND INFORMATION PROVIDED TO COMPTROLLER

Sec. 203.061. APPLICABILITY OF SUBCHAPTER. This subchapter applies only to a special purpose district described by Section 403.0241(b), Government Code.

Sec. 203.062. PROVISION OF CERTAIN RECORDS AND OTHER INFORMATION TO COMPTROLLER. (a) A special purpose district shall transmit records and other information to the comptroller annually for purposes of providing the comptroller with information to operate and update the Special Purpose District Public Information
(b) The special purpose district may comply with Subsection
(a) by affirming that records and other information previously
transmitted are current.
(c) The special purpose district shall transmit the records
and other information in a form and in the manner prescribed by the
comptroller.

Sec. 203.063. PENALTIES FOR NONCOMPLIANCE. (a) If a
special purpose district does not timely comply with Section
203.062, the comptroller shall provide written notice to the
special purpose district:
(1) informing the special purpose district of the
violation of that section; and
(2) notifying the special purpose district that the
special purpose district will be subject to a penalty of $1,000 if
the special purpose district does not report the required
information on or before the 30th day after the date the notice is
provided.
(b) Not later than the 30th day after the date the
comptroller provides notice to a special purpose district under
Subsection (a), the special purpose district must report the
required information.
(c) If a special purpose district does not report the
required information as prescribed by Subsection (b):
(1) the special purpose district is liable to the
state for a civil penalty of $1,000; and
(2) the comptroller shall provide written notice to
the special purpose district:

(A) informing the special purpose district of the
liability for the penalty; and

(B) notifying the special purpose district that
if the special purpose district does not report the required
information on or before the 30th day after the date the notice is
provided:

(i) the special purpose district will be
subject to an additional penalty of $1,000; and

(ii) the noncompliance will be reflected in
the list maintained by the comptroller under Section 403.0242,
Government Code.

(d) Not later than the 30th day after the date the
comptroller provides notice to a special purpose district under
Subsection (c), the special purpose district must report the
required information.

(e) If a special purpose district does not report the
required information as prescribed by Subsection (d):

(1) the special purpose district is liable to the
state for a civil penalty of $1,000; and

(2) the comptroller shall:

(A) reflect the noncompliance in the list
maintained under Section 403.0242, Government Code, until the
special purpose district reports all information required under
Section 203.062; and

(B) provide written notice to the special purpose
district that the noncompliance will be reflected in the list until
the special purpose district reports the required information.

(f) The attorney general may sue to collect a civil penalty imposed by this section.

SECTION 3. (a) The comptroller shall create and post on the Internet the Special Purpose District Public Information Database required by Section 403.0241, Government Code, as added by this Act, not later than September 1, 2018.

(b) Not later than January 1, 2018, the comptroller shall send written notice to each special purpose district described by Section 403.0241(b), Government Code, as added by this Act, that describes the changes in law made by this Act. Each special purpose district that receives notice shall submit to the comptroller any information required under Section 403.0241, Government Code, as added by this Act, or Section 203.062, Local Government Code, as added by this Act, not later than the 90th day after the date the district receives the notice.

(c) Notwithstanding another provision of this Act, including Subsections (a) and (b) of this section, the comptroller is required to implement this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the comptroller may, but is not required to, implement this Act using other appropriations available for that purpose.

SECTION 4. This Act takes effect September 1, 2017.
S.B. No. 625

President of the Senate

I hereby certify that S.B. No. 625 passed the Senate on May 1, 2017, by the following vote: Yeas 31, Nays 0.

Speaker of the House

Secretary of the Senate

I hereby certify that S.B. No. 625 passed the House on May 24, 2017, by the following vote: Yeas 144, Nays 0, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor