

By: Kolkhorst  
(Stephenson)

S.B. No. 625

A BILL TO BE ENTITLED

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

1           (2) during the most recent fiscal year:

2                   (A) had bonds outstanding;

3                   (B) had gross receipts from operations, loans,  
4 taxes, or contributions in excess of \$250,000; or

5                   (C) had cash and temporary investments in excess  
6 of \$250,000.

7           (c) For each special purpose district described by  
8 Subsection (b), the database must include:

9                   (1) the name of the special purpose district;

10                   (2) the name of each board member of the special  
11 purpose district;

12                   (3) contact information for the main office of the  
13 special purpose district, including the physical address, the  
14 mailing address, and the main telephone number;

15                   (4) if the special purpose district employs a person  
16 as a general manager or executive director, or in another position  
17 to perform duties or functions comparable to those of a general  
18 manager or executive director, the name of the employee;

19                   (5) if the special purpose district contracts with a  
20 utility operator, contact information for a person representing the  
21 utility operator, including a mailing address and a telephone  
22 number;

23                   (6) if the special purpose district contracts with a  
24 tax assessor-collector, contact information for a person  
25 representing the tax assessor-collector, including a mailing  
26 address and telephone number;

27                   (7) the special purpose district's Internet website

1 address, if any;

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

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

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

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

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

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

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

24 (d) The comptroller may consult with the appropriate  
25 officer of, or other person representing, each special purpose  
26 district to obtain the information necessary to operate and update  
27 the database.

1       (e) To the extent information required in the database is  
2 otherwise collected or maintained by a state agency or special  
3 purpose district, the comptroller may require the state agency or  
4 special purpose district to provide that information and updates to  
5 the information as necessary for inclusion in the database.

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

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

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

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

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

19       SUBCHAPTER D. RECORDS AND INFORMATION PROVIDED TO COMPTROLLER

20       Sec. 203.061. APPLICABILITY OF SUBCHAPTER. This subchapter  
21 applies only to a special purpose district described by Section  
22 403.0241(b), Government Code.

23       Sec. 203.062. PROVISION OF CERTAIN RECORDS AND OTHER  
24 INFORMATION TO COMPTROLLER. (a) A special purpose district shall  
25 transmit records and other information to the comptroller annually  
26 for purposes of providing the comptroller with information to  
27 operate and update the Special Purpose District Public Information

1 Database under Section 403.0241, Government Code.

2 (b) The special purpose district may comply with Subsection  
3 (a) by affirming that records and other information previously  
4 transmitted are current.

5 (c) The special purpose district shall transmit the records  
6 and other information in a form and in the manner prescribed by the  
7 comptroller.

8 Sec. 203.063. PENALTIES FOR NONCOMPLIANCE. (a) If a  
9 special purpose district does not timely comply with Section  
10 203.062, the comptroller shall provide written notice to the  
11 special purpose district:

12 (1) informing the special purpose district of the  
13 violation of that section; and

14 (2) notifying the special purpose district that the  
15 special purpose district will be subject to a penalty of \$1,000 if  
16 the special purpose district does not report the required  
17 information on or before the 30th day after the date the notice is  
18 provided.

19 (b) Not later than the 30th day after the date the  
20 comptroller provides notice to a special purpose district under  
21 Subsection (a), the special purpose district must report the  
22 required information.

23 (c) If a special purpose district does not report the  
24 required information as prescribed by Subsection (b):

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

27 (2) the comptroller shall provide written notice to

1 the special purpose district:

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

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

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

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

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

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

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

21 (2) the comptroller shall:

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

26 (B) provide written notice to the special purpose  
27 district that the noncompliance will be reflected in the list until

1 the special purpose district reports the required information.

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

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

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

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

24 SECTION 4. This Act takes effect September 1, 2017.