

By: Sanford, Swanson

H.B. No. 3204

Substitute the following for H.B. No. 3204:

By: Meyer

C.S.H.B. No. 3204

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the form of ballot propositions and certain voter  
3 information document requirements for an election seeking  
4 authorization for the issuance of school district bonds supported  
5 by property taxes.

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

7 SECTION 1. Subchapter A, Chapter 45, Education Code, is  
8 amended by adding Sections 45.0032, 45.0033, 45.0034, and 45.0035  
9 to read as follows:

10 Sec. 45.0032. BALLOT LANGUAGE FOR TAX-SUPPORTED BONDS. (a)

11 In this section:

12 (1) "New infrastructure project" means a project to  
13 construct, acquire, purchase, or finance new facilities, sites for  
14 school buildings, other property, or school buses.

15 (2) "Replacements and upgrades project" means a  
16 project other than a new infrastructure project related to  
17 replacing or upgrading existing facilities, sites for school  
18 buildings, other property, or school buses.

19 (b) A ballot prepared for an election to authorize the  
20 issuance of bonds described by Section 45.001 may contain not more  
21 than two propositions as follows:

22 (1) a proposition to issue bonds for new  
23 infrastructure projects that provides for voting for or against  
24 authorizing the issuance of bonds to support all new infrastructure

1 projects listed in the proposition; and

2 (2) a proposition to issue bonds for replacements and  
3 upgrades projects that provides for voting for or against  
4 authorizing the issuance of bonds to support all replacements and  
5 upgrades projects listed in the proposition.

6 Sec. 45.0033. VOTER INFORMATION DOCUMENT FOR TAX-SUPPORTED  
7 BONDS. (a) A governing board or commissioners court that calls an  
8 election under Section 45.003 must prepare a voter information  
9 document for each proposition to be voted on at the election. The  
10 governing board or commissioners court shall post the voter  
11 information document in the same manner that a debt obligation  
12 election order is required to be posted under Section 4.003(f),  
13 Election Code, and may include the voter information document in  
14 the election order. The voter information document must distinctly  
15 state:

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

17 (2) the following information formatted as a table:

18 (A) the principal of the bonds to be authorized;

19 (B) the estimated interest for the bonds to be  
20 authorized;

21 (C) the estimated combined principal and  
22 interest required to pay on time and in full the bonds to be  
23 authorized; and

24 (D) as of the date the governing board or  
25 commissioners court adopts the election order:

26 (i) the principal of all outstanding debt  
27 obligations of the district;

1                   (ii) the estimated remaining interest on  
2 all outstanding debt obligations of the district, which may be  
3 based on the district's expectations relative to the interest due  
4 on any variable rate debt obligations; and

5                   (iii) the estimated combined principal and  
6 interest required to pay on time and in full all outstanding debt  
7 obligations of the district, which may be based on the district's  
8 expectations relative to the interest due on any variable rate debt  
9 obligations;

10                  (3) the estimated maximum annual increase in the  
11 amount of taxes that would be imposed on a residence homestead in  
12 the district with an appraised value of \$100,000 to repay the debt  
13 obligations to be authorized, if approved, based upon assumptions  
14 made by the governing board or commissioners court;

15                  (4) for each proposed project included in a  
16 proposition to issue bonds:

17                   (A) a visual depiction of the design or concept  
18 of each proposed project;

19                   (B) a statement of the needs to be addressed by  
20 each proposed project and how the project will address those needs;

21                   (C) a detailed description of any equipment to be  
22 purchased for the proposed project, the number of individual pieces  
23 of equipment to be purchased, and the cost of each individual piece  
24 of equipment; and

25                   (D) a statement of the projected effect of each  
26 proposed project regarding existing facilities of the district,  
27 including, as applicable, the projected effect on class size ratios

1 in the district or the number of school events that may be supported  
2 by the project;

3 (5) for a new infrastructure project listed in a  
4 proposition described under Section 45.0032(b)(1), other than a  
5 project for the acquisition, purchase, or financing of school  
6 buses, the geographic location proposed for the project; and

7 (6) any other information that the governing board or  
8 commissioners court considers relevant or necessary to explain the  
9 information required by this subsection.

10 (b) The governing board or commissioners court may not  
11 include in the voter information document required under this  
12 section information regarding the geographic location for a  
13 replacements and upgrades project listed in a proposition described  
14 by Section 45.0032(b)(2).

15 (c) The governing board or commissioners court shall  
16 identify in the election order the major assumptions made in  
17 connection with the statement required by Subsection (a)(3),  
18 including:

19 (1) the amortization of the district's debt  
20 obligations, including outstanding debt obligations and the debt  
21 obligations for the proposed bonds;

22 (2) changes in estimated future appraised values  
23 within the district; and

24 (3) the assumed interest rate on the proposed bonds.

25 (d) A district that maintains an Internet website shall  
26 provide the information described by Subsection (a) on its website  
27 in an easily accessible manner beginning not later than the 21st day

1 before election day and ending on the day after the date of the  
2 election.

3 Sec. 45.0034. NOTICE REQUIREMENTS: ISSUANCE OF  
4 CERTIFICATES OF OBLIGATION ON TAX-SUPPORTED BONDS. (a) In  
5 addition to the requirements provided under Section 271.049, Local  
6 Government Code, a district that issues a certificate of obligation  
7 on bonds described by Section 45.001 must comply with the  
8 additional notice requirements provided by this section.

9 (b) A district that maintains an Internet website shall  
10 publish notice of the district's intention to issue the  
11 certificates on the district's website for at least 45 days before  
12 the date tentatively set for the passage of the resolution or order  
13 authorizing the issuance of the certificate.

14 (c) The notice of a district's issuance of certificates of  
15 obligation on bonds described by Section 45.001 must state the  
16 following:

17 (1) the then-current principal of all outstanding debt  
18 obligations of the district;

19 (2) the then-current combined principal and interest  
20 required to pay all outstanding debt obligations of the district on  
21 time and in full, which may be based on the district's expectations  
22 relative to the interest due on any variable rate debt obligations;

23 (3) the maximum principal amount of the certificates  
24 to be authorized;

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

1           (5) the estimated interest rate for the certificates  
2 to be authorized or that the maximum interest rate for the  
3 certificates may not exceed the maximum legal interest rate; and

4           (6) the maximum maturity date of the certificates to  
5 be authorized.

6           Sec. 45.0035. CONFLICT OF LAW. (a) Sections 45.0032 and  
7 45.0033 provide the ballot proposition language and voter  
8 information document requirements for an election to authorize the  
9 issuance of bonds described by Section 45.001. To the extent of a  
10 conflict between a provision of this subchapter and another law  
11 applicable to the ballot proposition language or voter information  
12 document requirements for an election to authorize the issuance of  
13 bonds, this subchapter controls.

14           (b) An officer or employee of a governing board who, in  
15 compliance with Section 45.0033, provides the information required  
16 in a voter information document under that section does not violate  
17 Section 255.003(b-1), Election Code, regardless of whether the  
18 information provided is sufficiently substantial and important as  
19 to be reasonably likely to influence a voter to vote for or against  
20 the measure.

21           SECTION 2. (a) The changes in law made by this Act to  
22 Chapter 45, Education Code, apply only to a ballot for an election  
23 ordered on or after the effective date of this Act. An election  
24 ordered before the effective date of this Act is governed by the law  
25 in effect when the election was ordered, and the former law is  
26 continued in effect for that purpose.

27           (b) Section 45.0034, Education Code, as added by this Act,

1 applies only to a certificate of obligation for which the first  
2 notice of intention to issue the certificate is made on or after the  
3 effective date of this Act. A certificate of obligation for which  
4 the first notice of intention to issue the certificate is made  
5 before the effective date of this Act is governed by the law in  
6 effect when the notice of intention is made, and the former law is  
7 continued in effect for that purpose.

8 SECTION 3. This Act takes effect September 1, 2019.