

## **BILL ANALYSIS**

Senate Research Center  
88R13118 KJE-D

S.B. 2117  
By: Creighton  
Education  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

School district revenue comes primarily through local property tax bills, so it is important that taxpayers are aware of the impact of school bonds on their pocketbooks. As a result, H.B. 3 required school districts to include in the language of each bond proposition "THIS IS A PROPERTY TAX INCREASE."

The addition of this statement has been an important move to increase taxpayer awareness. School districts are taking on more debt when bond proposals pass, and it is important that taxpayers are well informed about that fact.

However, stakeholder feedback has indicated that this language has caused some confusion in local communities, since many school districts' interest and sinking (I&S) tax rates do not need to increase when their bond proposition passes. As a result, some school districts have chosen to increase their I&S tax rates prior to a bond election to avoid the confusion.

S.B. 2117 amends current law by requiring districts to place the phrase "THIS AUTHORIZES THE DISTRICT TO TAKE ON ADDITIONAL DEBT" on every school district bond proposition on the ballot instead of including "THIS IS A PROPERTY TAX INCREASE."

As proposed, S.B. 2117 amends current law relating to the information that must be included in a school district bond election proposition.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 45.003(b-1), Education Code, as follows:

(b-1) Requires that the ballot proposition under Subsection (b) (relating to requiring that a proposition submitted to authorize the issuance of bonds include the question of whether the governing board or commissioners court is authorized to levy, pledge, assess, and collect annual ad valorem taxes, on all taxable property in the district, of certain amounts) include the following statement: "THIS AUTHORIZES THE DISTRICT TO TAKE ON ADDITIONAL DEBT," rather than "THIS IS A PROPERTY TAX INCREASE."

SECTION 2. Effective date: September 1, 2023.