

**HOUSE OF REPRESENTATIVES  
COMPILATION OF PUBLIC COMMENTS**

Submitted to the Committee on Ways & Means  
For SB 1814

Compiled on: Monday, May 15, 2023 12:22 PM

Note: Comments received by the committee reflect only the view of the individual(s) submitting the comment, who retain sole responsibility for the content of the comment. Neither the committee nor the Texas House of Representatives takes a position on the views expressed in any comment. The committee compiles the comments received for informational purposes only and does not exercise any editorial control over comments.

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Hearing Date: May 15, 2023 11:00 AM

Rodrigo Reyes

Self

Thrall, TX

I OPPOSE SB 1814 and I ask you do the same also.

Tommy Hooker, Superintendent

Thrall ISD

Thrall, TX

Oppose anything Bettencourt recommends

Especially SB 1815 and SB 418

Theresa Williams, Superintendent

Plano ISD

Plano, TX

Plano ISD opposes SB 1814 because it undermines local control.

Georgia Polley

Self

Houston, TX

I oppose SB1814 - this would prohibit school districts from paying down debt early. It would also cause an annual change in tax rate. This bill serves no productive purpose.

Kristi Thibaut, The Honorable  
Parents for Full & Fair Funding of TX Public Schools  
Houston, TX

SB 1814 redefines debt for the purpose of calculating the current debt tax rate to be "the minimum amount required to be expended for debt service." Protections are already in place to ensure that bond taxes can only be used to pay off voter-authorized bond debt. SB 1814 would result in higher interest costs & ultimately higher taxes by preventing districts from paying down debt early. Using defeasance allows school districts reduce overall debt, allows for considerable interest savings for tax payers and helps maintain a higher bond rating which reduces borrowing costs. Bottom line is this bill harms school districts. And its not needed. Please vote NO on SB 1814.

Annie Kerr  
self  
Houston, TX

Please do not disallow school districts to pay down debt early. You have already put school districts in an extremely tough position by not providing enough funding for them.

Minda Caesar  
self -- I am a trustee for Spring Branch but am testifying as myself.  
Houston, TX

SB 1814 is an effort to prevent school districts from keeping their I&S (bond) rates at the same level (rather than lowering them due to lower debt service or higher property values) in order to build up a surplus in I&S funds to prepay debt. This bill is requiring districts to lower their I&S rate to the minimum amount required to satisfy the district's debt service for the coming year. This would force a lowering of some district's I&S tax rate, which would lower property tax bills for homeowners but it would severely impact, but not entirely prevent, a district from pre-paying debt service through cash defeasances and it would not give districts sufficient discretion to plan for financial contingencies. Pre-paying debt service positively impacts districts because it provides a significant savings in future interest that would have been paid if the bonds have not been effectively retired early. Additionally, the bill requires more of the statutory language to be included in notices to voters to show any proposed increase or reduction in revenue and tax rates from the previous year and would potentially make it harder to pass a VATRE and pass an M7O rate that is higher than the compressed rate. The bill also requires a 60% approval rate to pass a VATRE, which makes it much more difficult to set a higher rate.

Many districts have saved their taxpayers millions of dollars by pre-paying debt and being fiscally responsible. This bill would take option away.

The committee will hear testimony on Monday but if you can't make it to the Capitol, you have the opportunity to voice your opposition by clicking [here](#). More importantly, we ask that you please make calls respectfully to the committee as well as to your House Representative to ask them to let the bill die in committee or to vote NAY.