

By: Bumgarner

H.B. No. 302

A BILL TO BE ENTITLED

AN ACT

relating to a prohibition on the issuance of certain bonds by a school district.

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

SECTION 1. Section 45.003, Education Code, is amended by adding Subsection (i) to read as follows:

(i) Notwithstanding any other law, the governing body or commissioners court may not order an election to authorize the issuance of bonds under this section for a school district if:

(1) the amount sufficient to pay the principal of and interest on the district's existing bonds exceeds 18 percent of the district's most recently adopted or amended annual budget; or

(2) the amount sufficient to pay the sum of the principal of and interest on the district's existing bonds and the proposed bond would exceed 18 percent of the district's most recently adopted or amended annual budget.

SECTION 2. The change in law made by this Act applies only to an election ordered on or after the effective date of this Act. An election ordered before the effective date of this Act is governed by the law in effect on the date the election was ordered, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect on the 91st day after the last day of the legislative session.