

By: Capriglione

H.B. No. 3526

A BILL TO BE ENTITLED

AN ACT

relating to fiscal transparency for bonds issued by local governmental entities.

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

SECTION 1. Section 1202.008(c), Government Code, is amended to read as follows:

(c) The attorney general shall send the information to the Bond Review Board for inclusion in the reports required by Sections ~~[board's report of debt statistics under Section]~~ 1231.062 and 1231.065.

SECTION 2. Subchapter B, Chapter 1231, Government Code, is amended by adding Section 1231.024 to read as follows:

Sec. 1231.024. SEARCHABLE DATABASE FOR LOCAL BOND OBLIGATIONS. (a) The board shall develop and maintain on the board's Internet website a publicly accessible and searchable database that provides, in a table format that is easy to read and understand, information on each bond proposed or issued by a local government.

(b) The database must include for each proposed and issued bond listed in the database the:

- (1) amount of the principal of the bond;
- (2) the estimated amount of interest on the bond; and
- (3) the estimated total amount to pay the principal of and interest on the bond.

1 SECTION 3. Subchapter D, Chapter 1231, Government Code, is
2 amended by adding Section 1231.065 to read as follows:

3 Sec. 1231.065. BIENNIAL REPORT ON REPAYMENT OF BONDS ISSUED
4 BY LOCAL GOVERNMENTS. (a) Not later than December 31 of each
5 even-numbered year, the board shall prepare and submit to each
6 standing committee of the legislature with primary jurisdiction
7 over matters relating to finance a report on the repayment status of
8 each voter-approved bond issued by a local government.

9 (b) The report required by Subsection (a) must include:

10 (1) for each voter-approved bond issued by a local
11 government:

12 (A) the estimated total amount required to pay
13 the principal of and interest on the bond on the date the bond was
14 issued; and

15 (B) the total amount of principal and interest
16 paid by the local government on the bond; and

17 (2) if a local government requires an increase in the
18 local government's tax rate in order to pay the principal of and
19 interest on bonds issued by the local government, the amount of the
20 required increase.

21 (c) The board may adopt any rules necessary to implement
22 this section.

23 SECTION 4. As soon as practicable but not later than
24 September 1, 2026, the Bond Review Board shall establish the
25 database as required by Section 1231.024, Government Code, as added
26 by this Act.

27 SECTION 5. This Act takes effect September 1, 2025.