

## **BILL ANALYSIS**

Senate Research Center  
84R3486 KLA-D

S.B. 309  
By: Campbell  
Finance  
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As Filed

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

Texas has made strides to improve public access to state and local government financial and tax information through the Internet. Texas has thousands of political subdivisions, including cities, counties, school districts, water districts, hospital districts, and junior college districts, that have taxing and debt issuance authority. Currently, there is no single state agency that is required to aggregate the financial information from local governments and assist in providing best practices.

S.B. 309 requires the comptroller of public accounts of the State of Texas to develop an information database of local government financial, boundary, and tax rate information that is currently required by local governments for improved public access of this information.

As proposed, S.B. 309 amends current law relating to public access to boundary, financial, and tax rate information of certain political subdivisions.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to comptroller of public accounts of the State of Texas in SECTION 2 (Section 403.0241, Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter A, Chapter 44, Education Code, by adding Section 44.012, as follows:

Sec. 44.012. ANNUAL TRANSMISSION OF INFORMATION TO COMPTROLLER. Requires the Texas Education Agency (TEA) to transmit annually an electronic copy of each school district's adopted budget and any school district financial reports filed with and reviewed by TEA under Section 44.010 (Review by Agency) for purposes of providing the comptroller of public accounts of the State of Texas (comptroller) with information to operate and update the Political Subdivision Public Information Warehouse under Section 403.0241, Government Code. Requires TEA to transmit the information in the form prescribed by the comptroller.

SECTION 2. Amends Subchapter B, Chapter 403, Government Code, by adding Section 403.0241, as follows:

Sec. 403.0241. POLITICAL SUBDIVISION PUBLIC INFORMATION WAREHOUSE. (a) Defines "tax year."

(b) Requires the comptroller to create and make accessible on the Internet a database, to be known as the Political Subdivision Public Information Warehouse, that contains information regarding all active political subdivisions of this state that are authorized by the state by a general or special law to impose an ad valorem or sales and use tax or to issue bonds, notes, or other obligations.

(c) Requires the warehouse database to include with respect to each political subdivision described by Subsection (b):

- (1) the name of the political subdivision;
- (2) the rate of any sales and use tax the political subdivision imposes;
- (3) the table of ad valorem tax rates for the most recent tax year described by Section 26.16 (Posting of Tax Rates on County's Internet Website), Tax Code, in the form required by that section;
- (4) the total amount of the political subdivision's debt, including principal and interest, and the year in which that debt would be paid in accordance with the current applicable terms;
- (5) the political subdivision's Internet website address or, if the political subdivision does not operate an Internet website, contact information to enable a member of the public to obtain information from the political subdivision; and
- (6) the Internet website address for the appraisal district in each county in which the political subdivision has territory.

(d) Provides that the warehouse database may include with respect to each political subdivision described by Subsection (b) the following information, or a link to the information, that is provided through an Internet website maintained by the political subdivision:

- (1) information describing the political subdivision's boundaries;
- (2) the political subdivision's budget for its current fiscal year;
- (3) each current check registry published by the political subdivision's governing body; and
- (4) any other current financial audit or annual report published by the political subdivision's governing body.

(e) Authorizes the comptroller to consult with the appropriate officer of, or other person representing, each political subdivision described by Subsection (b) to obtain the information necessary to operate and update the warehouse database.

(f) Requires the governing body of a political subdivision that publishes on the political subdivision's Internet website the political subdivision's check registry to provide to the comptroller the Internet address of the Internet page on which that registry may be accessed for purposes of Subsection (d)(3).

(g) Provides that the comptroller, to the extent information required in the warehouse database is otherwise collected or maintained by a state agency or political subdivision, is authorized to request and the state agency or political subdivision is required to provide that information and updates to the information as necessary for inclusion in the warehouse database.

(h) Requires the comptroller to update information in the warehouse database regarding the rates of taxes imposed by each political subdivision described by Subsection (b) at least annually.

(i) Requires the comptroller, to the extent possible, to present information in the warehouse database in a manner that is searchable and intuitive to users. Authorizes the comptroller to enhance and organize the presentation of the information through the use of graphical representations as the comptroller considers appropriate.

(j) Prohibits the comptroller from charging a fee to the public to access the warehouse database.

(k) Authorizes the comptroller to establish procedures and adopt rules to implement this section.

SECTION 3. Amends Chapter 203, Local Government Code, by adding Subchapter D, as follows:

**SUBCHAPTER D. RECORDS AND INFORMATION PROVIDED TO COMPTROLLER**

Sec. 203.061. **APPLICABILITY OF SUBCHAPTER.** (a) Provides that this subchapter applies only to the following political subdivisions of this state:

(1) each political subdivision that has authority to issue general obligation bonds, except as provided by Subsection (b), including a taxing unit as defined by Section 1.04 (Definitions), Tax Code, that has authority to issue general obligation bonds; and

(2) each special purpose district or other political subdivision that has authority to impose a sales tax, including a taxing entity as defined by Section 322.002 (Definitions), Tax Code.

(b) Provides that this subchapter does not apply to a school district.

Sec. 203.062. **PROVISION OF CERTAIN RECORDS AND OTHER INFORMATION TO COMPTROLLER.** Requires a political subdivision to transmit records and other information specified by this subchapter to the comptroller annually for purposes of providing the comptroller with information to operate and update the Political Subdivision Public Information Warehouse under Section 403.0241, Government Code. Requires the political subdivision to transmit the records and other information in a form and in the manner prescribed by the comptroller.

Sec. 203.063. **BOUNDARIES AND DISSOLUTION RECORDS.** (a) Requires a political subdivision, other than a county or municipality, to transmit to the comptroller as provided by Section 203.062 each information form, map, and plat, and any amendment to an information form, map, or plat, and each statement regarding the annexation or consolidation of the political subdivision.

(a-1) Requires a political subdivision that is active on September 1, 2015, to transmit the information required by Subsection (a) to the comptroller not later than September 1, 2016. Provides that this subsection expires January 1, 2017.

(b) Requires a political subdivision created on or after September 1, 2015, to transmit the information required by Subsection (a) to the comptroller on or before the later of:

(1) September 1, 2016; or

(2) six months after the political subdivision's creation date.

(c) Requires the political subdivision, if after a political subdivision transmits the information required by Subsection (a) to the comptroller the political subdivision's boundaries change or the political subdivision dissolves, to transmit to the comptroller as provided by Section 203.062 and as applicable each information form, map, and plat, and any amendment to an information form, map, or plat, and each statement regarding the dissolution, annexation, or consolidation of the district not later than six months after the date the change in boundaries or dissolution occurs.

Sec. 203.064. FINANCIAL INFORMATION. Requires a political subdivision to transmit to the comptroller as provided by Section 203.062 the following financial information:

- (1) the political subdivision's most recently adopted annual budget; and
- (2) the political subdivision's most recent annual financial report.

Sec. 203.065. INTERNET WEBSITE. Requires a political subdivision to transmit to the comptroller as provided by Section 203.062 the address of the Internet website maintained by the political subdivision, if any.

SECTION 4. Requires the comptroller of public accounts to create and post on the Internet the Political Subdivision Public Information Warehouse required by Section 403.0241, Government Code, as added by this Act, not later than December 31, 2017.

SECTION 5. Effective date: September 1, 2015.