

BILL ANALYSIS

H.B. 2833
By: Farney
Public Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

School districts are currently authorized to borrow money by issuing interest-bearing time warrants for projects that are too big for their operating budgets yet too small for the issuance of bonds. Interested parties suggest that many school districts have construction or repair and maintenance needs for which this type of funding would be advantageous, but the costs of which exceed the maximum level at which money may be borrowed. H.B. 2833 seeks to address this problem.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2833 amends the Education Code to increase from 15 years to 20 years the maximum maturity period of a serial installment for interest-bearing time warrants issued by a school district. The bill increases from \$1 million to \$2 million the maximum total value of warrants a school district may have outstanding at any one time.

EFFECTIVE DATE

September 1, 2015.