

BILL ANALYSIS

Senate Research Center
81R6024 ALB-D

H.B. 1366
By: Jackson, Jim, Laubenberg (Patrick, Dan)
Intergovernmental Relations
5/13/2009
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, many local entities can both tax and issue bonds for specific projects with voter approval. Unfortunately, a practice has evolved which allows these local entities to impose a tax increase or issue bonds through voter approval without informing voters what they approved. The election order is posted with specifics, but the actual ballot language is vague. Such is the case with hospital districts, where the current ballot language reads:

"Authorizing the (insert name of district) to pledge the revenues from its hospital system and from the ad valorem tax that was previously approved by the voters to the payment of combination tax and revenue bonds and other obligations that have been and will be issued and executed for the capital purposes of the hospital system."

This bill would change the ballot language for tax and bond elections for hospital districts so that the ballot language includes, at a minimum, the information that is included in the election order. The election order includes a general description of the uses of the proposed funds for improvements to the hospital district and estimates of the tax and revenue bonds or other obligations.

H.B. 1366 relates to ballot language in an election authorizing the issuance of bonds for hospital district system improvements.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 281.107(c) and (d), Health and Safety Code, as follows:

(c) Requires that the official proposition submitted to the voters at an election held under this section include, at a minimum, the information included in the election order as prescribed by Subsection (e) (relating to requiring an election order to include a statement of the maximum aggregate principal amount and a general description of the district's proposed financing and improvement plans). Deletes existing language of the proposition.

(d) Sets forth the required language of the ballot. Deletes existing required language of the ballot.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2009.