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S.B. No. 14

A BILL TO BE ENTITLED

AN ACT

relating to the fiscal transparency and accountability of certain entities responsible for public money.

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

SECTION 1. Chapter 46, Education Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. PUBLIC INFORMATION REGARDING FACILITIES

Sec. 46.101. AVAILABILITY OF INFORMATION REGARDING FACILITIES. (a) For the purpose of providing information to the public regarding district or school facilities usage and taxpayer value, a school district or open-enrollment charter school shall:

(1) report data elements specified by commissioner rule to the agency through the Texas Student Data System (TSDS) or a successor data management system maintained by the agency; and

(2) provide a direct link on the district's or school's Internet website to the Texas Student Data System (TSDS) or a successor data management system maintained by the agency through which the facilities information relevant to the specific district or school may be readily accessed.

(b) The commissioner shall adopt rules necessary to implement this section, including rules ensuring that the Texas Student Data System (TSDS) or a successor data management system maintained by the agency includes appropriate data elements regarding school facilities usage and taxpayer value.

1       (c) The commissioner shall adopt rules for purposes of  
2 Subsection (b) based on the recommendations of the Taxpayer Value  
3 and School Facilities Usage Advisory Committee established under  
4 Section 46.102. This subsection expires September 1, 2017.

5       Sec. 46.102. TAXPAYER VALUE AND SCHOOL FACILITIES USAGE  
6 ADVISORY COMMITTEE. (a) The Taxpayer Value and School Facilities  
7 Usage Advisory Committee is established to serve the function  
8 specified by this section.

9       (b) The committee consists of:

10       (1) the commissioner and the comptroller, who serve as  
11 co-chairs of the committee; and

12       (2) the following persons, appointed jointly by the  
13 commissioner and comptroller from lists of persons recommended by  
14 the lieutenant governor and speaker of the house of  
15 representatives:

16               (A) a current school board member;

17               (B) a current school district administrator;

18               (C) a current public school teacher;

19               (D) a parent of a student currently enrolled in a  
20 public school;

21               (E) a representative of the school construction  
22 industry, who may be an engineer, architect, or contractor;

23               (F) a representative of the construction  
24 industry who does not work on school construction, who may be an  
25 engineer, architect, or contractor; and

26               (G) a member of the public.

27       (c) The lieutenant governor and speaker of the house of

1 representatives shall submit to the commissioner and comptroller  
2 lists of persons recommended for appointment to the committee not  
3 later than October 15, 2013. The lists must include recommended  
4 persons for each position described in Subsections (b)(2)(A)-(G).  
5 The commissioner and comptroller shall make the appointments  
6 required by Subsection (b) not later than December 1, 2013.

7 (d) The committee shall meet to develop recommendations  
8 regarding the data that should be considered in evaluating a school  
9 district's or open-enrollment charter school's facility usage and  
10 taxpayer value with regard to school facility construction and  
11 renovation. The committee shall hold its initial meeting as soon as  
12 possible after the committee members are selected, but not later  
13 than January 15, 2014.

14 (e) Not later than December 31, 2014, the committee shall  
15 develop its final recommendations and submit a report to the  
16 governor, lieutenant governor, and speaker of the house of  
17 representatives. The committee shall also make the report  
18 available electronically to members of the legislature.

19 (f) Based on the recommendations developed by the  
20 committee, the commissioner shall:

21 (1) ensure that the Texas Student Data System (TSDS)  
22 or a successor data management system maintained by the agency  
23 includes appropriate data elements regarding school facilities;  
24 and

25 (2) adopt rules for purposes of Section 46.101.

26 (g) A committee member is not entitled to reimbursement of  
27 expenses or to compensation.

1       (h) Chapter 2110, Government Code, does not apply to the  
2 committee.

3       (i) This section expires September 1, 2017.

4       SECTION 2. Section 51.005, Education Code, is amended to  
5 read as follows:

6       Sec. 51.005. ANNUAL FINANCIAL REPORT [~~REPORTS~~]. (a) Each  
7 institution of higher education shall:

8           (1) prepare a complete annual financial report as  
9 prescribed by Section 2101.011, Government Code; and

10           (2) take action to ensure that the institution's most  
11 recent annual financial report is posted continuously on the  
12 institution's Internet website.

13       (b) Not later than November 30 of each year, each  
14 institution of higher education shall take action to ensure that a  
15 report showing the amount and a description of the institution's  
16 outstanding debt on the last day of the preceding state fiscal year  
17 is posted on the institution's Internet website. For a university  
18 system, the report must show the aggregate outstanding debt for the  
19 system and, to the extent that the debt is attributable to a  
20 specific institution, the outstanding debt for each system  
21 institution. In this subsection, "university system" has the  
22 meaning assigned by Section 61.003.

23       (c) Each institution of higher education shall maintain or  
24 cause to be maintained an Internet website to comply with this  
25 section.

26       SECTION 3. Subchapter C, Chapter 61, Education Code, is  
27 amended by adding Section 61.0621 to read as follows:

1       Sec. 61.0621. JUNIOR COLLEGE DISTRICT CONSTRUCTION COST  
2 REPORTING. (a) The board shall require each junior college  
3 district to report building construction costs and related  
4 information to the board for the purpose of determining:

5           (1) the average cost per square foot, adjusted for  
6 inflation for the region of the state in which the project is  
7 located; and

8           (2) the average cost per full-time equivalent student  
9 for each junior college district.

10       (b) The board, in consultation with the governing boards of  
11 the state's junior college districts, shall prescribe the form,  
12 manner, and times of reports required under this section.

13       (c) The board shall compile the information reported under  
14 Subsection (a) for all junior college districts and periodically  
15 report its findings to the districts. The board and each junior  
16 college district shall take action to ensure that the board's  
17 findings are posted on each respective entity's Internet website.

18       (d) The board shall adopt rules for the administration of  
19 this section.

20       (e) In administering this section, the board shall attempt  
21 to avoid duplicating other reporting requirements applicable to  
22 junior college districts.

23       (f) Each junior college district shall maintain or cause to  
24 be maintained an Internet website to comply with this section.

25       SECTION 4. Subchapter B, Chapter 403, Government Code, is  
26 amended by adding Section 403.0117 to read as follows:

27       Sec. 403.0117. LOCAL TAX RATES PUBLISHED ON INTERNET.

1 (a) The comptroller shall publish on the comptroller's Internet  
2 website, listed by county:

3 (1) the name of each political subdivision that  
4 imposes a sales and use tax and the sales and use tax rate for the  
5 political subdivision; and

6 (2) the tax rate information reported to the  
7 comptroller by each county assessor-collector under Section  
8 26.16(e), Tax Code.

9 (b) The comptroller shall update the information described  
10 by Subsection (a) at least annually.

11 SECTION 5. Section 1202.008, Government Code, is amended to  
12 read as follows:

13 Sec. 1202.008. COLLECTION AND REPORT OF INFORMATION ON  
14 LOCAL [PUBLIC] SECURITIES [OF POLITICAL SUBDIVISIONS]. (a) In  
15 this section, "local security" has the meaning assigned by Section  
16 1231.001.

17 (b) In reviewing local [public] securities under this  
18 chapter, the attorney general shall [may] collect, in the form  
19 required by the Bond Review Board, information on each local  
20 security [public securities issued by a municipal corporation or  
21 political subdivision of this state].

22 (c) [(b)] The information must include:

23 (1) the terms of each local security [the public  
24 securities];

25 (2) the debt service payable on each local security  
26 [the public securities]; and

27 (3) other information required by the Bond Review

1 Board.

2 (d) [~~(c)~~] The attorney general shall send the information  
3 regarding each local security to the Bond Review Board not later  
4 than the fifth day before the date the attorney general approves the  
5 local security under Section 1202.003 [~~for inclusion in the board's~~  
6 ~~report of debt statistics under Section 1231.062~~].

7 (e) If an issuer has not provided the information required  
8 by Subsection (c), the bond finance office at the Bond Review Board  
9 shall notify the person listed as the contact for the issuer. The  
10 notice must be in writing, describe the information that must be  
11 submitted to the bond finance office, and inform the issuer that the  
12 issuer will be placed on the noncompliance list if the information  
13 is not provided as required by this subsection. An issuer must  
14 provide the information described in the notice to the bond finance  
15 office not later than the 90th day after the date the issuer  
16 receives the notice. The bond finance office and the attorney  
17 general shall maintain a noncompliance list of issuers that do not  
18 provide the information in the manner provided by this subsection.

19 (f) The attorney general may not approve a local security  
20 under Section 1202.003 submitted by an issuer that is included on  
21 the noncompliance list described by Subsection (e) until the  
22 attorney general receives written notification from the bond  
23 finance office at the Bond Review Board that the office:

24 (1) has received the information required by  
25 Subsection (c); or

26 (2) has agreed to a later date for the submission of  
27 the information.

1 SECTION 6. The heading to Subtitle B, Title 9, Government  
2 Code, is amended to read as follows:

3 SUBTITLE B. PROVISIONS APPLICABLE TO PUBLIC SECURITIES [~~ISSUED BY~~  
4 ~~STATE GOVERNMENT~~]

5 SECTION 7. Section 1231.001, Government Code, is amended by  
6 adding Subdivision (4) to read as follows:

7 (4) "Local security" means a public security as  
8 defined by Section 1201.002, other than a state security.

9 SECTION 8. Subchapter B, Chapter 1231, Government Code, is  
10 amended by adding Section 1231.024 to read as follows:

11 Sec. 1231.024. CONTRACTS TO COLLECT INFORMATION. The board  
12 may enter into one or more contracts to procure services to collect  
13 and maintain information regarding the indebtedness of state  
14 agencies and local governments.

15 SECTION 9. Subsection (b), Section 1231.062, Government  
16 Code, is amended to read as follows:

17 (b) A report must include:

18 (1) total debt service as a percentage of total  
19 expenditures;

20 (2) ad valorem tax-supported debt [~~service as a~~  
21 ~~percentage of general revenue expenditure~~];

22 (3) [~~per capita~~] total revenue obligations [~~debt~~];

23 (4) ad valorem [~~per capita tax-supported debt,~~

24 [~~(5) total debt and tax-supported debt as a percentage~~  
25 ~~of personal income,~~

26 [~~(6) total personal income per capita,~~

27 [~~(7) total debt per capita as a percentage of total~~



1 ~~personal income per capita,~~  
2           ~~[(8) total debt and]~~ tax-supported debt as a  
3 percentage of real property valuations;  
4           (5) ~~[(9) total debt and tax-supported debt as a~~  
5 ~~percentage of annual revenues and expenditures,~~  
6           ~~[(10)]~~ principal scheduled ~~[required]~~ to be repaid in  
7 five years and ~~[principal required to be repaid]~~ in 10 years;  
8           (6) ~~[(11) growth rates of total debt per capita and~~  
9 ~~total debt per dollar of personal income,~~  
10           ~~[(12)]~~ recent issuances ~~[trends in the issuance]~~ of  
11 short-term notes;  
12           (7) ~~[(13)]~~ recent trends in issuance costs;  
13           (8) ~~[(14)]~~ savings from recent refundings;  
14           (9) debt outstanding ~~[(15) recent trends in~~  
15 ~~capitalized interest use,~~  
16           ~~[(16) debt service coverage ratios, if applicable];~~  
17 and  
18           (10) ~~[(17)]~~ other information the board considers  
19 relevant.

20           SECTION 10. The heading to Section 1231.102, Government  
21 Code, is amended to read as follows:

22           Sec. 1231.102. STATE SECURITIES ANNUAL REPORT.

23           SECTION 11. Subchapter F, Chapter 1231, Government Code, is  
24 amended by adding Sections 1231.104 and 1231.105 to read as  
25 follows:

26           Sec. 1231.104. LOCAL SECURITIES ANNUAL REPORT. Not later  
27 than the 180th day after the last day of each state fiscal year, the

1 bond finance office shall publish a report listing:

2 (1) the amount of local securities outstanding;

3 (2) applicable repayment schedules; and

4 (3) other information the office considers relevant.

5 Sec. 1231.105. ONLINE ANNUAL LOCAL DEBT STATISTICS REPORT.

6 Not later than the 150th day after the last day of each state fiscal  
7 year, the bond finance office shall publish on the office's  
8 Internet website a report that includes the statistical information  
9 listed in Section 1231.062(b) for all local securities for the  
10 preceding fiscal year.

11 SECTION 12. Chapter 1251, Government Code, is amended by  
12 designating Sections 1251.001, 1251.002, 1251.003, 1251.004,  
13 1251.005, and 1251.006 as Subchapter A and adding a heading to  
14 Subchapter A to read as follows:

15 SUBCHAPTER A. COUNTIES AND MUNICIPALITIES

16 SECTION 13. Chapter 1251, Government Code, is amended by  
17 adding Subchapter B to read as follows:

18 SUBCHAPTER B. BOND MATTERS AFFECTING MORE THAN ONE TYPE OF  
19 POLITICAL SUBDIVISION

20 Sec. 1251.051. DEFINITIONS. In this subchapter:

21 (1) "Debt obligation" means an issued public security,  
22 as defined by Section 1201.002, secured by property taxes.

23 (2) "Political subdivision" means a county,  
24 municipality, school district, junior college district, other  
25 special district, or other subdivision of state government.

26 (3) "Secured self-supporting debt obligation" means a  
27 debt obligation secured by property taxes but payable from revenue

1 from another source.

2 Sec. 1251.052. PUBLIC HEARING; VOTER INFORMATION DOCUMENT.

3 (a) Before a political subdivision may hold an election to  
4 authorize the issuance of bonds, the governing body of the  
5 political subdivision must conduct a public hearing at which  
6 persons interested in the issuance of the bonds are given the  
7 opportunity to be heard. The governing body must hold the hearing  
8 not earlier than the day the governing body adopts the election  
9 order or later than the first day before the date the period for  
10 early voting by personal appearance begins for the election, as  
11 determined under Section 85.001, Election Code.

12 (b) Not earlier than the 30th day or later than the 15th day  
13 before the date of the hearing, the political subdivision must  
14 provide the notice of the hearing and each voter information  
15 document described by Subsection (c):

16 (1) by:

17 (A) publication in at least one newspaper of  
18 general circulation in the county in which the political  
19 subdivision is wholly or primarily located;

20 (B) inclusion in the political subdivision's  
21 newsletter or circular mailed or delivered to each registered voter  
22 in the political subdivision; or

23 (C) mail or hand delivery to each registered  
24 voter in the political subdivision; and

25 (2) if the political subdivision has at least 250  
26 registered voters, by:

27 (A) posting the notice and each document on:

1 (i) the political subdivision's Internet  
2 website; or

3 (ii) a website as authorized by Section  
4 1251.054(b)(2); or

5 (B) electronically submitting the notice and  
6 each document as authorized by Section 1251.055(c)(2) or  
7 1251.056(c).

8 (c) The political subdivision must prepare a separate voter  
9 information document for each proposition to be discussed at the  
10 hearing. Each voter information document must distinctly state:

11 (1) the language that will appear on the ballot;

12 (2) the purpose for which the bonds are to be  
13 authorized;

14 (3) that taxes sufficient to pay the annual principal  
15 of and interest on the bonds may be imposed;

16 (4) the maximum rate of interest for the bonds to be  
17 authorized;

18 (5) the maturity date of the bonds to be authorized or  
19 that the bonds may be issued to mature over a specified number of  
20 years not to exceed the maximum number of years authorized by law;

21 (6) the following information formatted as a table:

22 (A) the property tax debt rate expressed in  
23 dollars per \$100 valuation of all taxable property in the political  
24 subdivision, stated as:

25 (i) the existing rate;

26 (ii) the estimated rate if the bonds are  
27 authorized; and

1                   (iii) the estimated increase in the rate if  
2 the bonds are authorized; and

3                   (B) the amount expressed in dollars of the  
4 property tax debt levy of the political subdivision per residence  
5 with a taxable value of \$100,000, stated as:

6                   (i) the existing levy;

7                   (ii) the estimated levy if the bonds are  
8 authorized; and

9                   (iii) the estimated increase in the levy if  
10 the bonds are authorized;

11                   (7) the following information formatted as a second  
12 table and stated as a total amount and, if the political subdivision  
13 is a municipality, county, or school district, as a per capita  
14 amount:

15                   (A) the principal of the bonds to be authorized;

16                   (B) the estimated interest for the bonds to be  
17 authorized;

18                   (C) the estimated combined principal and  
19 interest required to pay on time and in full the bonds to be  
20 authorized; and

21                   (D) as of the date the political subdivision  
22 adopts the bond election order:

23                   (i) the principal of all outstanding debt  
24 obligations of the political subdivision secured by and payable  
25 from property taxes;

26                   (ii) the estimated remaining interest of  
27 all outstanding debt obligations of the political subdivision

1 secured by and payable from property taxes; and

2 (iii) the estimated combined principal and  
3 interest required to pay on time and in full all outstanding debt  
4 obligations of the political subdivision secured by and payable  
5 from property taxes;

6 (8) the following information as of the date the  
7 political subdivision adopts the bond election order, formatted as  
8 a third table:

9 (A) the principal of all outstanding secured  
10 self-supporting debt obligations of the political subdivision;

11 (B) the estimated remaining interest of all  
12 outstanding secured self-supporting debt obligations of the  
13 political subdivision; and

14 (C) the estimated combined principal and  
15 interest required to pay on time and in full all outstanding secured  
16 self-supporting debt obligations of the political subdivision; and

17 (9) any other information that the political  
18 subdivision considers relevant or necessary to explain the values  
19 required by Subdivisions (4)-(8), including:

20 (A) an amount required by Subdivision (7) stated  
21 as a per capita amount if the political subdivision is not required  
22 to provide the amount under Subdivision (7);

23 (B) an explanation of the payment sources for the  
24 different types of debt; and

25 (C) a value for the following expressed as a good  
26 faith projection as of the last day of the maximum term of the bonds  
27 to be authorized:

1                   (i) a per capita amount required by  
2 Subdivision (7);

3                   (ii) an estimated rate required by  
4 Subdivision (6)(A)(ii); and

5                   (iii) an estimated levy required by  
6 Subdivision (6)(B)(ii).

7           (d) Each voter information document required by Subsection  
8 (c) must be printed:

9                   (1) on not more than two pages that are not wider than  
10 8-1/2 inches and not longer than 14 inches;

11                   (2) in type not smaller than 12-point type; and

12                   (3) in the form prescribed by the secretary of state.

13           (e) The governing body of the political subdivision must  
14 make a copy of each voter information document available to each  
15 individual attending the hearing.

16           (f) The secretary of state by rule shall prescribe the form  
17 of a voter information document.

18           (g) The Texas Ethics Commission shall provide guidelines  
19 for political subdivisions regarding how to conduct a hearing under  
20 this section and how to provide additional information on the form  
21 prescribed by the secretary of state under Subsection (f) without  
22 violating electioneering and political advertising laws, including  
23 Section 255.003, Election Code, and Section 11.169, Education Code.

24           (h) A good faith estimate or projection in a voter  
25 information document, and a good faith assumption made to determine  
26 the estimate or projection, of an estimate required by Subsections  
27 (c)(6)-(8) or an estimate or projection authorized by Subsection

1 (c)(9) does not constitute a breach of contract with the voters  
2 solely because the assumption, estimate, or projection is later  
3 determined to be incorrect.

4 Sec. 1251.053. ONLINE SAMPLE BALLOT. The governing body of  
5 a political subdivision that has at least 250 registered voters  
6 shall take action to ensure that a sample of the ballot printed for  
7 an election to authorize a political subdivision to issue bonds is  
8 posted or submitted in a manner required by Section 1251.052(b)(2)  
9 as soon as practicable after the official ballots have been  
10 prepared and remains posted until the day following the election.

11 Sec. 1251.054. INTERNET WEBSITE. (a) This section applies  
12 only to a political subdivision that has at least 250 registered  
13 voters. Except as provided by Subsection (b), a political  
14 subdivision shall maintain or cause to be maintained an Internet  
15 website to comply with this subchapter.

16 (b) This subsection does not apply to a county or  
17 municipality with a population of more than 2,000 or a school  
18 district or a junior college district. If a political subdivision  
19 did not maintain an Internet website or cause a website to be  
20 maintained on January 1, 2013, the political subdivision shall post  
21 the information required by Section 1251.052 on:

22 (1) the political subdivision's website, if the  
23 political subdivision chooses to maintain the website or cause the  
24 website to be maintained; or

25 (2) a website in which the political subdivision  
26 controls the content of the posting, including a social media site,  
27 provided that the information is easily found by searching the name



1 of the political subdivision on the Internet.

2 Sec. 1251.055. ALTERNATIVE POSTING REQUIREMENT FOR CERTAIN  
3 WATER DISTRICTS. (a) This section applies only to a political  
4 subdivision that has at least 250 registered voters and that is a  
5 district as defined by Section 49.001(1), Water Code.

6 (b) Notwithstanding any other provision of this subchapter,  
7 a political subdivision that is required by this subchapter to post  
8 information on a website may satisfy the posting requirement as  
9 provided by Subsection (c).

10 (c) A political subdivision may:

11 (1) post the information required by this subchapter  
12 on a website authorized by Section 1251.054; or

13 (2) electronically submit the information to the  
14 executive director of the Texas Commission on Environmental Quality  
15 to be posted on the commission's Internet website on a web page  
16 dedicated to the political subdivision, provided that the web page:

17 (A) is easily located by searching the name of  
18 the political subdivision on the Internet; or

19 (B) is linked or automatically opened from a web  
20 address maintained or caused to be maintained by the political  
21 subdivision that is easily located by searching the name of the  
22 political subdivision on the Internet.

23 (d) A website described by Subsection (c)(2) or Section  
24 1251.054(b)(2), and a web address described by Subsection  
25 (c)(2)(B), are not websites maintained by a political subdivision  
26 for the purpose of other law.

27 Sec. 1251.0555. TEMPORARY PROVISION: EFFECTIVE DATE OF

1 CERTAIN PROVISIONS RELATING TO CERTAIN WATER DISTRICTS. (a) This  
2 section applies only to a political subdivision that is a district  
3 as defined by Section 49.001(1), Water Code.

4 (b) A requirement in this subchapter that a political  
5 subdivision post on a website or electronically submit to the  
6 executive director of the Texas Commission on Environmental Quality  
7 a notice, voter information document, or ballot applies to an  
8 election called by the governing body of a political subdivision on  
9 or after September 1, 2014.

10 (c) This section expires September 1, 2015.

11 Sec. 1251.056. ALTERNATIVE POSTING REQUIREMENT FOR SMALL  
12 COUNTIES AND MUNICIPALITIES. (a) This section applies only to:

- 13 (1) a county with a population of 10,200 or less; and  
14 (2) a municipality with a population of 5,000 or less.

15 (b) Notwithstanding any other provision of this subchapter,  
16 a county or municipality that is required by this subchapter to post  
17 information on a website may satisfy the posting requirement as  
18 provided by Subsection (c).

19 (c) A county or municipality may electronically submit  
20 information required by this subchapter to be posted on a website to  
21 the comptroller to be posted on the comptroller's Internet website,  
22 provided that the web page on which the information may be viewed:

23 (1) is easily located by searching the name of the  
24 county or municipality on the Internet; or

25 (2) is linked or automatically opened from a web  
26 address maintained or caused to be maintained by the county or  
27 municipality that is easily located by searching the name of the

1 county or municipality on the Internet.

2 (d) A website or web address described by Subsection (c) is  
3 not a website maintained by a county or municipality for the purpose  
4 of other law.

5 SECTION 14. Section 140.005, Local Government Code, is  
6 transferred to Subchapter D, Chapter 12, Education Code,  
7 redesignated as Section 12.1191, Education Code, and amended to  
8 read as follows:

9 Sec. 12.1191 [~~140.005~~]. ANNUAL FINANCIAL STATEMENT OF  
10 CHARTER SCHOOL [~~, ROAD, OR OTHER DISTRICT~~]. (a) The governing body  
11 of an [~~a school district,~~] open-enrollment charter school [~~, junior~~  
12 ~~college district, or a district or authority organized under~~  
13 ~~Article III, Section 52, or Article XVI, Section 59, of the Texas~~  
14 ~~Constitution,~~] shall prepare an annual financial statement showing  
15 for each fund subject to the authority of the governing body during  
16 the fiscal year:

17 (1) the total receipts of the fund, itemized by source  
18 of revenue, including taxes, assessments, service charges, grants  
19 of state money, gifts, or other general sources from which funds are  
20 derived;

21 (2) the total disbursements of the fund, itemized by  
22 the nature of the expenditure; and

23 (3) the balance in the fund at the close of the fiscal  
24 year.

25 (b) The governing body of an open-enrollment charter school  
26 shall take action to ensure that the school's annual financial  
27 statement is made available in the manner provided by Chapter 552,

1 Government Code, and is posted continuously on the school's  
2 Internet website.

3 (c) An open-enrollment charter school shall maintain or  
4 cause to be maintained an Internet website to comply with this  
5 section.

6 SECTION 15. Chapter 140, Local Government Code, is amended  
7 by adding Section 140.008 to read as follows:

8 Sec. 140.008. ANNUAL FINANCIAL REPORT; DEBT INFORMATION.

9 (a) In this section:

10 (1) "Comparable financial report" means the most  
11 recent financial report, financial statement, audit, exhibit, or  
12 other comparable report that a county or municipality is required  
13 by other law to prepare, provided that the report includes the  
14 information required by Subsection (c).

15 (2) "Debt obligation" means an issued public security,  
16 as defined by Section 1201.002, Government Code, secured by  
17 property taxes.

18 (3) "Political subdivision" means a county,  
19 municipality, school district, junior college district, other  
20 special district, or other subdivision of state government.

21 (b) This section does not apply to a district as defined by  
22 Section 49.001(1), Water Code.

23 (c) Except as provided by Subsections (d) and (e), a  
24 political subdivision shall prepare an annual financial report that  
25 includes:

26 (1) financial information for each fund subject to the  
27 authority of the governing body of the political subdivision during

1 the fiscal year, including:

2 (A) the total receipts of the fund;

3 (B) the total disbursements of the fund;

4 (C) the balance in the fund as of the last day of  
5 the fiscal year; and

6 (D) any other information required by law to be  
7 included by the political subdivision in an annual financial report  
8 or comparable annual financial statement, exhibit, or report;

9 (2) as of the last day of the preceding fiscal year,  
10 the following information for the political subdivision expressed  
11 as a total amount and, if the political subdivision is a  
12 municipality, county, or school district, as a per capita amount:

13 (A) the amount of all authorized debt  
14 obligations;

15 (B) the principal of all outstanding debt  
16 obligations;

17 (C) the principal of each outstanding debt  
18 obligation;

19 (D) the combined principal and interest required  
20 to pay all outstanding debt obligations on time and in full; and

21 (E) the combined principal and interest required  
22 to pay each outstanding debt obligation on time and in full;

23 (3) as of the last day of the preceding fiscal year,  
24 the following for each debt obligation:

25 (A) the issued and unissued amount; and

26 (B) the spent and unspent amount;

27 (4) the maturity date for each debt obligation;

1           (5) the stated purpose for which each debt obligation  
2 was authorized; and

3           (6) any other information that the political  
4 subdivision considers relevant or necessary to explain the values  
5 required by Subdivision (2), including:

6                   (A) an amount stated as a per capita amount if the  
7 political subdivision is not required to provide the amount under  
8 Subdivision (2);

9                   (B) an explanation of the payment sources for the  
10 different types of debt; and

11                   (C) a projected per capita amount of an amount  
12 required by Subdivision (2), as of the last day of the maximum term  
13 of the most recent debt obligation issued by the political  
14 subdivision.

15           (d) Instead of replicating in the annual financial report  
16 information required by Subsection (c) that is posted separately on  
17 the political subdivision's Internet website, or on a website as  
18 authorized by Subsection (h)(2), the political subdivision may  
19 provide in the report a direct link to, or a clear statement  
20 describing the location of, the separately posted information.

21           (e) As an alternative to preparing an annual financial  
22 report, a political subdivision may provide to the comptroller the  
23 information described by Subsection (c) and any other related  
24 information required by the comptroller in the form and in the  
25 manner prescribed by the comptroller. The comptroller shall post  
26 the information on the comptroller's Internet website in the format  
27 that the comptroller determines is appropriate. The political

1 subdivision shall provide a link from the political subdivision's  
2 website, or a website as authorized by Subsection (h)(2), to the  
3 location on the comptroller's website where the political  
4 subdivision's financial information may be viewed. The comptroller  
5 shall adopt rules necessary to implement this subsection.

6 (f) Except as provided by Subsection (e), the governing body  
7 of a political subdivision shall take action to ensure that:

8 (1) the political subdivision's annual financial  
9 report is:

10 (A) made available for inspection by any person;

11 and

12 (B) if the political subdivision has at least 250  
13 registered voters:

14 (i) posted continuously on the political  
15 subdivision's Internet website until the political subdivision  
16 posts the next annual financial report; or

17 (ii) posted continuously on a website as  
18 authorized by Subsection (h)(2) until the political subdivision  
19 posts the next annual financial report; and

20 (2) if the political subdivision has at least 250  
21 registered voters, the contact information for the main office of  
22 the political subdivision is continuously posted on the website,  
23 including the physical address, the mailing address, the main  
24 telephone number, and an e-mail address.

25 (g) This subsection applies only to a political subdivision  
26 that has at least 250 registered voters. Except as provided by  
27 Subsection (h), a political subdivision shall maintain or cause to

1 be maintained an Internet website to comply with this section.

2 (h) This subsection applies only to a political subdivision  
3 that has at least 250 registered voters. This subsection does not  
4 apply to a county or municipality with a population of more than  
5 2,000 or a school district or a junior college district. If a  
6 political subdivision did not maintain an Internet website or cause  
7 a website to be maintained on January 1, 2013, the political  
8 subdivision shall post the information required by this section on:

9 (1) the political subdivision's website, if the  
10 political subdivision chooses to maintain the website or cause the  
11 website to be maintained; or

12 (2) a website in which the political subdivision  
13 controls the content of the posting, including a social media site,  
14 provided that the information is easily found by searching the name  
15 of the political subdivision on the Internet.

16 (i) Notwithstanding any other provision of this section, a  
17 county or municipality required to prepare an annual financial  
18 report under this section and post information described by  
19 Subsection (c) on an Internet website may satisfy those  
20 requirements by:

21 (1) posting the comparable financial report of the  
22 county or municipality, as applicable, on:

23 (A) the website of the county or municipality, as  
24 applicable; or

25 (B) a website as authorized by Subsection (h)(2);  
26 or

27 (2) electronically submitting the comparable



1 financial report of the county or municipality, as applicable, to  
2 the comptroller to be posted on the comptroller's website, provided  
3 that the web page on which the document may be viewed:

4 (A) is easily located by searching the name of  
5 the county or municipality on the Internet; or

6 (B) is linked or automatically opened from a web  
7 address maintained or caused to be maintained by the county or  
8 municipality that is easily located by searching the name of the  
9 county or municipality on the Internet.

10 (j) A website or web address described by Subsection  
11 (i)(1)(B) or (i)(2) is not a website maintained by a political  
12 subdivision for the purpose of other law.

13 SECTION 16. Section 271.047, Local Government Code, is  
14 amended by adding Subsection (d) to read as follows:

15 (d) Except as provided by this subsection, the governing  
16 body of an issuer may not authorize a certificate to pay a  
17 contractual obligation to be incurred if a bond proposition to  
18 authorize the issuance of bonds for the same purpose was submitted  
19 to the voters during the preceding three years and failed to be  
20 approved. A governing body may authorize a certificate that the  
21 governing body is otherwise prohibited from authorizing under this  
22 subsection:

23 (1) in a case described by Sections 271.056(1)-(3);  
24 and

25 (2) to comply with a state or federal law, rule, or  
26 regulation if the political subdivision has been officially  
27 notified of noncompliance with the law, rule, or regulation.

1 SECTION 17. Section 271.049, Local Government Code, is  
2 amended by amending Subsections (a), (b), and (d) and adding  
3 Subsections (e), (f), and (g) to read as follows:

4 (a) Regardless of the sources of payment of certificates,  
5 certificates may not be issued unless the issuer publishes notice  
6 of its intention to issue the certificates. The notice must be  
7 published:

8 (1) once a week for two consecutive weeks in a  
9 newspaper, as defined by Subchapter C, Chapter 2051, Government  
10 Code, that is of general circulation in the area of the issuer, with  
11 the date of the first publication to be before the 30th day before  
12 the date tentatively set for the passage of the order or ordinance  
13 authorizing the issuance of the certificates; and

14 (2) continuously on the issuer's Internet website, or  
15 on a website as authorized by Subsection (f)(2), for at least 30  
16 days before the date tentatively set for the passage of the order or  
17 ordinance authorizing the issuance of the certificates and until  
18 the first day after the date the issuer adopts the order or  
19 ordinance.

20 (b) The notice must state:

21 (1) the time and place tentatively set for the passage  
22 of the order or ordinance authorizing the issuance of the  
23 certificates;

24 (2) the ~~[maximum amount and]~~ purpose of the  
25 certificates to be authorized; ~~[and]~~

26 (3) the manner in which the certificates will be paid  
27 for, whether by taxes, revenues, or a combination of the two;

1           (4) as of the date the issuer adopts the order or  
2 ordinance, the principal of all outstanding debt obligations of the  
3 issuer;

4           (5) as of the date the issuer adopts the order or  
5 ordinance, the estimated remaining interest of all outstanding debt  
6 obligations of the issuer;

7           (6) as of the date the issuer adopts the order or  
8 ordinance, the estimated combined principal and interest required  
9 to pay all outstanding debt obligations of the issuer on time and in  
10 full;

11           (7) the maximum principal of the certificates to be  
12 authorized; and

13           (8) the process by which a petition may be submitted  
14 requesting an election on the issuance of the certificates, in the  
15 following form:

16           "Five percent of the qualified voters of (name of issuer) may  
17 petition to require an election to be held authorizing the issuance  
18 of certificates of obligation by delivering a signed petition to  
19 the (insert "secretary or clerk" if the issuer is a municipality, or  
20 "county clerk" if the issuer is a county) of (name of issuer)  
21 before the date the governing body has set for the authorization of  
22 the certificates of obligation. Information about the requirements  
23 of the petition may be obtained from the (insert "secretary or  
24 clerk" if the issuer is a municipality, or "county clerk" if the  
25 issuer is a county) of (name of issuer)."~~[-]~~

26           (d) This section does not apply to certificates issued for  
27 the purposes described by Sections 271.056(1)-(3)

1 ~~[271.056(1)-(4)]~~.

2 (e) Except as provided by Subsection (f), an issuer shall  
3 maintain or cause to be maintained an Internet website to comply  
4 with this section.

5 (f) This subsection does not apply to a county or  
6 municipality with a population of more than 2,000. If an issuer did  
7 not maintain an Internet website or cause a website to be maintained  
8 on January 1, 2013, the issuer shall post the information required  
9 by Subsection (b) on:

10 (1) the issuer's website, if the issuer chooses to  
11 maintain the website or cause the website to be maintained; or

12 (2) a website in which the issuer controls the content  
13 of the posting, including a social media site, provided that the  
14 information is easily found by searching the name of the issuer on  
15 the Internet.

16 (g) In this section, "debt obligation" means an issued  
17 public security, as defined by Section 1201.002, Government Code,  
18 secured by property taxes.

19 SECTION 18. Subtitle C, Title 12, Local Government Code, is  
20 amended by adding Chapter 399 to read as follows:

21 CHAPTER 399. COMPREHENSIVE REVIEW OF CERTAIN SPECIAL DISTRICTS

22 Sec. 399.001. DEFINITION. In this chapter, "special  
23 district" means a political subdivision of this state that has a  
24 limited geographic area, is created by local law or under general  
25 law for a special purpose, and is authorized to impose a tax,  
26 assessment, or fee. The term does not include:

27 (1) a school district;

1           (2) a junior college district; or

2           (3) a political subdivision that receives financial  
3 assistance through the state water implementation fund created by  
4 the 83rd Legislature, Regular Session, 2013.

5           Sec. 399.002. COMPREHENSIVE REVIEW REQUIRED. (a) At least  
6 once every six years, the governing body of a special district that  
7 has outstanding debt or imposes a tax, assessment, or fee shall  
8 conduct a comprehensive review of the district under this chapter.

9           (b) The governing body of a special district that issues  
10 debt or imposes a tax, assessment, or fee for the first time on or  
11 after September 1, 2013, shall conduct the first comprehensive  
12 review not later than the third anniversary of the date the  
13 governing body issues the debt or imposes the tax, assessment, or  
14 fee.

15           Sec. 399.003. COMPREHENSIVE SELF-EVALUATION REPORT.

16 (a) After conducting the review, the governing body must prepare a  
17 written self-evaluation report not later than the 30th day before  
18 the date of the public hearing required by Section 399.005.

19           (b) Except as provided by Subsection (c), the  
20 self-evaluation report must include:

21           (1) an identification of the statutory provision  
22 authorizing the creation of the special district;

23           (2) an identification of the purpose of the special  
24 district and an assessment of the extent to which the purpose has  
25 been achieved, has not been achieved, or is continuing to be  
26 achieved;

27           (3) an identification of the improvements and services

1 provided by the special district and whether those improvements and  
2 services are provided by other governmental entities;

3 (4) a general description of any penalty and  
4 identification of each tax, assessment, or fee that the special  
5 district imposes or collects or has imposed or collected;

6 (5) a statement of the amount of revenue collected by  
7 the special district in each of the preceding six fiscal years, and  
8 an assessment of whether the amount is sufficient, is insufficient,  
9 or exceeds the amount needed to accomplish the purpose of the  
10 district; and

11 (6) an identification of the special district's  
12 financial liabilities, including bonds and other obligations.

13 (c) Instead of replicating in the self-evaluation report  
14 information required by Subsection (b) that is posted separately on  
15 the special district's Internet website, or on a website as  
16 authorized by Section 399.006(b)(2) or 399.007(c)(2), the district  
17 may provide in the report a direct link to, or a clear statement  
18 describing the location of, the separately posted information.

19 (d) The special district must make the self-evaluation  
20 report available for inspection in the manner provided by Chapter  
21 552, Government Code.

22 (e) Except as provided by Subsection (f), a special district  
23 that has at least 250 registered voters must ensure that the  
24 self-evaluation report is posted continuously on the district's  
25 Internet website, or on a website as authorized by Section  
26 399.006(b)(2), beginning not later than the 30th day before the  
27 date of the public hearing required by Section 399.005 and until the

1 first anniversary of the date the public hearing is held.

2 (f) A special district that has at least 250 registered  
3 voters and that is a district as defined by Section 49.001(1), Water  
4 Code, shall:

5 (1) post the self-evaluation in the manner provided by  
6 Subsection (e); or

7 (2) electronically submit the report to the executive  
8 director of the Texas Commission on Environmental Quality not later  
9 than the 30th day before the date of the public hearing required by  
10 Section 399.005.

11 (g) The executive director of the Texas Commission on  
12 Environmental Quality shall, as soon as practicable, post a  
13 self-evaluation report submitted under Subsection (f)(2)  
14 continuously on the commission's Internet website until the first  
15 anniversary of the date the public hearing required by Section  
16 399.005 is held.

17 Sec. 399.004. NOTICE OF HEARING. (a) The special district  
18 must provide notice of the public hearing required by Section  
19 399.005 not earlier than the 30th day or later than the 15th day  
20 before the date of the hearing. The district must:

21 (1) publish the notice in at least one newspaper of  
22 general circulation in the county in which the district is located;  
23 and

24 (2) if the district has at least 250 registered  
25 voters:

26 (A) post the notice until the conclusion of the  
27 hearing on:

1                   (i) the district's Internet website; or  
2                   (ii) a website as authorized by Section  
3 399.006(b)(2); or

4                   (B) electronically submit the notice as  
5 authorized by Section 399.007(c)(2) to be posted until the  
6 conclusion of the hearing.

7           (b) The notice must contain a statement in the following  
8 form:

9           "NOTICE OF PUBLIC MEETING TO CONSIDER THE COMPREHENSIVE

10 SELF-EVALUATION REPORT OF THE (INSERT NAME OF SPECIAL DISTRICT)

11           "The (insert name of the district) was created in (insert  
12 year) to (insert purpose for district's creation). The district  
13 imposes a (insert type and rate of tax, type of assessment, rate or  
14 amount of assessment, and a general description of fees, as  
15 appropriate). State law requires the district to hold a hearing at  
16 least every six years to consider the district's comprehensive  
17 self-evaluation report. The hearing will be held on (insert date)  
18 at (insert time) at (insert location). A copy of the district's  
19 comprehensive self-evaluation report is available at (insert the  
20 physical address of the district's main office, or the physical  
21 address of the main office of another local political subdivision  
22 if the district does not maintain an office, and the website address  
23 where the comprehensive self-evaluation report is posted if it is  
24 required to be posted on a website)."

25           Sec. 399.005. PUBLIC HEARING. (a) The governing body of a  
26 special district must conduct a public hearing at which persons  
27 interested in the self-evaluation report are given the opportunity



1 to be heard.

2 (b) Not later than the 10th day after the date the governing  
3 body of a special district that has at least 250 registered voters  
4 adopts the minutes for the public hearing, the district must post or  
5 submit the following in a manner required by Section 399.004(a)(2):

6 (1) the minutes of the hearing;

7 (2) the estimated number of members of the public in  
8 attendance at the hearing; and

9 (3) the number of witnesses testifying at the hearing.

10 Sec. 399.006. INTERNET WEBSITE. (a) This section applies  
11 only to a special district that has at least 250 registered voters.  
12 Except as provided by Subsection (b), a special district shall  
13 maintain or cause to be maintained an Internet website to comply  
14 with this chapter.

15 (b) If a special district did not maintain an Internet  
16 website or cause a website to be maintained on January 1, 2013, the  
17 special district shall post the information required by this  
18 chapter on:

19 (1) the special district's website, if the special  
20 district chooses to maintain the website or cause the website to be  
21 maintained; or

22 (2) a website in which the special district controls  
23 the content of the posting, including a social media site, provided  
24 that the information is easily found by searching the name of the  
25 special district on the Internet.

26 Sec. 399.007. ALTERNATIVE POSTING REQUIREMENT FOR CERTAIN  
27 WATER DISTRICTS. (a) This section applies only to a special

1 district that has at least 250 registered voters and that is a  
2 district as defined by Section 49.001(1), Water Code.

3 (b) Notwithstanding any other provision of this chapter, a  
4 special district that is required by this chapter to post  
5 information on a website may satisfy the posting requirement as  
6 provided by Subsection (c).

7 (c) A special district may:

8 (1) post the information required by this chapter on a  
9 website authorized by Section 399.006; or

10 (2) electronically submit the information to the  
11 executive director of the Texas Commission on Environmental Quality  
12 to be posted on the commission's Internet website on a web page  
13 dedicated to the district, provided that the web page:

14 (A) is easily located by searching the name of  
15 the district on the Internet; or

16 (B) is linked or automatically opened from a web  
17 address maintained or caused to be maintained by the district that  
18 is easily located by searching the name of the district on the  
19 Internet.

20 (d) A website described by Subsection (c)(2) or Section  
21 399.006(b)(2), and a web address described by Subsection (c)(2)(B),  
22 are not websites maintained by a special district for the purpose of  
23 other law.

24 Sec. 399.0075. TEMPORARY PROVISION: EFFECTIVE DATE OF  
25 CERTAIN PROVISIONS RELATING TO CERTAIN WATER DISTRICTS. (a) This  
26 section applies only to a special district that is a district as  
27 defined by Section 49.001(1), Water Code.

1        (b) A requirement in this chapter that a special district  
2 post information on a website or electronically submit information  
3 to the executive director of the Texas Commission on Environmental  
4 Quality applies beginning on September 1, 2014.

5        (c) This section expires September 1, 2015.

6        SECTION 19. The heading to Section 26.16, Tax Code, is  
7 amended to read as follows:

8        Sec. 26.16. REPORTING OF TAX RATES AND POSTING OF [TAX]  
9 RATES ON THE [COUNTY'S] INTERNET [WEBSITE].

10        SECTION 20. Section 26.16, Tax Code, is amended by amending  
11 Subsections (a), (b), and (e) and adding Subsections (f) and (g) to  
12 read as follows:

13        (a) Except as provided by Subsection (g), the [The] county  
14 assessor-collector for each county, including those that do not  
15 participate in the assessment or collection of property taxes,  
16 shall maintain or cause to be maintained [that maintains] an  
17 Internet website. The county assessor-collector shall post on the  
18 assessor-collector's website or on the website of the county or  
19 shall provide on at least one of those websites a link to the  
20 location on the comptroller's website where may be viewed the  
21 following information for the most recent five tax years beginning  
22 with the 2012 tax year for each taxing unit all or part of the  
23 territory of which is located in the county:

- 24            (1) the adopted tax rate;
- 25            (2) the maintenance and operations rate;
- 26            (3) the debt rate;
- 27            (4) the effective tax rate;

1 (5) the effective maintenance and operations rate; and

2 (6) the rollback tax rate.

3 (b) Each taxing unit [~~all or part of the territory of which~~  
4 ~~is located in the county~~] shall annually provide the information  
5 described by Subsection (a) pertaining to the taxing unit to the  
6 county assessor-collector of each county in which all or part of the  
7 taxing unit's territory is located [~~annually~~] following the  
8 adoption of a tax rate by the taxing unit for the current tax year.  
9 The chief appraiser of the appraisal district established in the  
10 county may assist the county assessor-collector in identifying the  
11 taxing units required to provide information to the  
12 assessor-collector.

13 (e) The county assessor-collector for each county shall  
14 report the tax rate information described by Subsection (a) for the  
15 current tax year to the comptroller.

16 (f) The comptroller by rule shall prescribe the time and  
17 manner in which the information described by this section is  
18 required to be reported and published [~~presented~~].

19 (g) If a county assessor-collector or the county served by  
20 the assessor-collector did not maintain or cause to be maintained  
21 an Internet website on January 1, 2013, and the county has a  
22 population of 2,000 or less, the assessor-collector shall:

23 (1) post the information required by Subsection (a)  
24 on:

25 (A) the assessor-collector's or county's  
26 website, if the assessor-collector or county chooses to maintain  
27 the website or cause the website to be maintained; or

1           (B) a website in which the assessor-collector or  
2 county controls the content of the posting, including a social  
3 media site, provided that the information is easily found by  
4 searching the name of the county or the assessor-collector on the  
5 Internet; or

6           (2) provide on at least one website a link to the  
7 information on the comptroller's website, provided that the link is  
8 easily found by searching the name of the county or the  
9 assessor-collector on the Internet.

10           SECTION 21. Section 49.192, Water Code, is amended to read  
11 as follows:

12           Sec. 49.192. FORM OF AUDIT; ANNUAL FINANCIAL REPORT. The  
13 executive director shall adopt accounting and auditing manuals and,  
14 except as otherwise provided by the manuals, the district audit  
15 shall be performed according to the generally accepted auditing  
16 standards adopted by the American Institute of Certified Public  
17 Accountants. The commission shall require an audit or an annual  
18 financial report under Section 49.198 to include the information  
19 required by Section 140.008(c), Local Government Code. Financial  
20 statements shall be prepared in accordance with generally accepted  
21 accounting principles as adopted by the American Institute of  
22 Certified Public Accountants.

23           SECTION 22. Subchapter G, Chapter 49, Water Code, is  
24 amended by adding Section 49.201 to read as follows:

25           Sec. 49.201. DISTRICT DOCUMENTS ON COMMISSION WEBSITE.  
26 (a) The executive director shall establish and maintain a separate  
27 dedicated web page on the commission's Internet website for each

1 district that submits information described by Subsection (b).

2 (b) The executive director shall post the following  
3 information as soon as practicable on the dedicated web page of the  
4 applicable district:

5 (1) each audit, financial dormancy affidavit, or  
6 annual financial report filed under this subchapter; and

7 (2) each notice or other document electronically  
8 submitted to the executive director by a district as required or  
9 authorized by:

10 (A) Subchapter B, Chapter 1251, Government Code;  
11 and

12 (B) Chapter 399, Local Government Code.

13 (b-1) A requirement that the executive director post  
14 information filed or submitted as described by Subsection (b)  
15 applies to the executive director beginning on September 1, 2014.  
16 This subsection expires September 1, 2015.

17 (c) The executive director may adopt rules necessary to  
18 implement this section.

19 SECTION 23. Section 140.006, Local Government Code, is  
20 repealed.

21 SECTION 24. (a) Section 46.101, Education Code, as added  
22 by this Act, applies to a school district or open-enrollment  
23 charter school beginning on the effective date of rules adopted by  
24 the commissioner of education under Subsection (b), Section 46.101,  
25 Education Code, as added by this Act.

26 (b) Section 1251.052, Government Code, as added by this Act,  
27 applies only to a bond election ordered on or after January 1, 2014.

1 A bond election ordered before January 1, 2014, is governed by the  
2 law in effect when the bond election was ordered, and the former law  
3 is continued in effect for that purpose.

4 (c) Not later than January 1, 2014, the secretary of state  
5 shall make available on the secretary of state's Internet website a  
6 form of the voter information document described by Subsection (c),  
7 Section 1251.052, Government Code, as added by this Act.

8 (d) Not later than January 1, 2014, the Texas Ethics  
9 Commission shall make available on the Texas Ethics Commission's  
10 Internet website the guidelines required by Subsection (g), Section  
11 1251.052, Government Code, as added by this Act.

12 (e) The governing body of a school district or junior  
13 college district required to publish an annual financial statement  
14 under former Section 140.006, Local Government Code, shall publish  
15 an annual financial statement for the last fiscal year ending  
16 before the effective date of this Act for which the district has not  
17 published an annual financial statement.

18 (f) Section 140.008, Local Government Code, as added by this  
19 Act, applies only to an annual financial report for a fiscal year  
20 ending on or after the effective date of this Act. An annual  
21 financial report for a fiscal year ending before the effective date  
22 of this Act is governed by the law in effect when the fiscal year  
23 ended, and the former law is continued in effect for that purpose.

24 (g) The changes in law made by this Act to Section 271.049,  
25 Local Government Code, apply only to a certificate of obligation  
26 for which the first notice of intention to issue the certificate is  
27 made on or after the effective date of this Act. A certificate of

1 obligation for which the first notice of intention to issue the  
2 certificate is made before the effective date of this Act is  
3 governed by the law in effect when the notice of intention is made,  
4 and the former law is continued in effect for that purpose.

5 (h) Not later than September 1, 2014, the governing body of  
6 a special district to which Section 399.002, Local Government Code,  
7 as added by this Act, applies that has issued debt or imposed a tax,  
8 assessment, or fee before the effective date of this Act must  
9 prepare a self-evaluation report as required by Subsection (a),  
10 Section 399.003, Local Government Code, as added by this Act, for  
11 the first comprehensive review cycle.

12 (i) Not later than March 1, 2014, the Texas Commission on  
13 Environmental Quality shall update the accounting and auditing  
14 manuals required by Section 49.192, Water Code, as amended by this  
15 Act, to include the information required by Subsection (c), Section  
16 140.008, Local Government Code, as added by this Act.

17 (j) Not later than March 1, 2014, the executive director of  
18 the Texas Commission on Environmental Quality shall adopt the rules  
19 necessary to implement Section 49.201, Water Code, as added by this  
20 Act.

21 SECTION 25. This Act takes effect September 1, 2013.