WHAT IS THE ISSUE?
The 75 fastest growing school districts in the state take in 79 percent of new student enrollment growth. This means that in the past five years, almost 205,000 new students have enrolled in 75 districts compared to 56,000 new students in the other 949 school districts combined.

When thousands of new students move into a school district each year, class size waivers and portable buildings are not the answer. Overwhelmingly, the voters in these fast growth communities have called upon their school districts to incur new debt on taxpayers’ behalf to build new schools. (Keep in mind that most fast growth school districts receive no facilities assistance from the state which places an increased burden on local taxpayers.)

Critics of local debt would prefer that school districts save money over time to pay for new buildings but in a fast growth community that adds thousands of new students every year, this isn’t an option. Unlike charter schools, school districts cannot put up a “no vacancy” sign; the children keep coming and traditional public schools are constitutionally obligated to provide a seat and a quality education.

A DOUBLE STANDARD ON THE BALLOT
For the past several legislative sessions, critics of local debt have vigorously argued that school districts have too much debt and, therefore, more information should be provided on the ballot. The back of this document lists the requirements for a school district seeking a voter-approved bond. This is one of the most transparent processes in current law, as school districts spend up to a year and a half communicating with their local taxpayers regarding the community’s needs and priorities. The argument for ballot language is not an argument for transparency—it is a ploy to defeat bonds.

AIM
Support meaningful voter education before a local bond election.

SAMPLE BALLOT FOR CANDIDATES SEEKING OFFICE

<table>
<thead>
<tr>
<th>State Representative, District X</th>
</tr>
</thead>
<tbody>
<tr>
<td>Candidate Name</td>
</tr>
<tr>
<td>Candidate Name</td>
</tr>
<tr>
<td>Candidate Name</td>
</tr>
</tbody>
</table>

Why are voters expected to educate themselves about candidates but not about bond propositions?

SAMPLE BALLOT FOR A BOND ELECTION

PROPOSITION X
The issuance of $XXX,XXX,XXX school building bonds for the construction, acquisition and equipment of school buildings in the district (including the rehabilitation, renovation and improvement thereof), the purchase of the necessary sites for school buildings, and the purchase of new school buses, and the levying of the tax in payment thereof.

[ ] YES
[ ] NO

Bond ballots already contain descriptive language explaining the proposed expenses. Bond opponents also want to include text and financial figures—which have already been published by the school district in multiple formats.
THE BALLOT IS A POINT OF DECISION, NOT A POINT OF EDUCATION.

WHAT ARE DISTRICTS REQUIRED TO DO BEFORE AN ELECTION?

The document ordering a bond election must state: (Texas Election Code 3.009(b))

✓ The proposition language that will appear on the ballot
✓ The purpose for which the debt obligations are to be authorized
✓ The principal amount of the debt obligations to be authorized
✓ That taxes sufficient to pay the annual principal and interest on the debt may be imposed
✓ A statement of the estimated tax rate or of the maximum interest rate of the debt obligations
✓ The maximum maturity date of the debt obligations
✓ The aggregate amount of the outstanding principal of the political subdivision’s debt obligations as of the beginning of the fiscal year in which the election is ordered
✓ The aggregate amount of the outstanding interest on debt obligations of the political subdivision as of the beginning of the fiscal year in which the election is ordered
✓ The ad valorem debt service tax rate for the political subdivision at the time the election is ordered.

The district must post the election notice: (Texas Election Code 4.003)

✓ In local newspapers
✓ On a district bulletin board used by the school district to post public notices

The election notice must include: (Tex. Elec. Code 4.004)

✓ Type and date of the election
✓ Location of each polling place
✓ Hours the polls will be open
✓ Location of the main early voting polling place
✓ The regular dates and hours for early voting by personal appearance
✓ The dates and hours of any Saturday or Sunday early voting, if applicable
✓ And must be posted on the district’s website.

Additional notice must be given: (Tex. Elec. Code 3.009(b))

✓ On election day and during early voting by personal appearance in a prominent location at each polling place
✓ Not later than the 21st day before the election, in three public places in the boundaries of the political subdivision holding the election
✓ During the 21 days before the election, on the political subdivision’s internet website, prominently and together with the notice of the election and the contents of the proposition

Currently, the ballot proposition must include: (Texas Election Code 52.072(e))

✓ The total amount of the bond,
✓ The purpose of the bond, and
✓ Notice that a tax will be levied as a result of the passage of the bond.

RECOMMENDATIONS

For the reasons explained above, FGSC continues to oppose any proposed legislation that requires expanded language on the ballot. Regardless of how much language is added, or in what format, it cannot tell the complete story about a school district’s debt portfolio and has the potential to mislead well-intentioned voters.

FGSC supports HB 1378/Flynn that was passed during the 2015 session. The bill requires extensive debt information on a school district’s website and is a succinct example of meaningful transparency.