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Texas HB 19 Takes Aim at Local Government Debt and Tax Practices: Frost Brown Todd

Perhaps the most impactful public finance bill making its way through the Texas Legislature currently is House Bill 19 (HB 19). The bill is largely an amalgamation of other bills filed this session (notably, [House Bill 1453 and Senate Bill 470](#)) aimed at restricting the issuance of debt.

Generally Applicable Changes

If passed and signed by Governor Greg Abbott, the bill would require that bond elections be held only in November, a recurring theme from recent sessions.

The bill also would limit local government debt by prescribing that the maximum annual debt service in any fiscal year on debt payable from property taxes may not exceed 20% of an amount equal to the average of the amount of property tax collections for the three preceding fiscal years.

With certain restrictions, HB 19 would prohibit an issuer from issuing an anticipation note if a bond proposition for the same purpose had failed during the preceding five years.

[Continue reading.](#)

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