



SB 30

Testimony Before the Texas Senate Committee on State Affairs

by James Quintero, Director

Madame Chair and Members of the Committee:

My name is James Quintero, and I represent the Texas Public Policy Foundation. Thank you for your attention today on such an important matter. I'll be testifying in support of [Senate Bill 30](#).

As introduced, SB 30 promises to significantly improve debt transparency by making the following changes to the Election Code:

- Requiring voter-approved propositions to include: the total principal amount to be authorized, if approved; a plain language description—rather than a general description—of the *single specific* purpose for the proposed bonds; and the rate of any tax that will be increased or imposed to pay the principal and interest on the bonds.
- Requiring that voters be offered separate ballot questions for each single specific purpose.

The need for these types of changes is obvious.

The current bond election system affords voters little information at the point of decision-making. Right now, governmental entities are only required to provide two items of information in the voting booth: the principal amount that their elected officials seek to borrow and a general description of the project. That is not enough information for many voters to make an informed decision, especially those who may not be well-versed in public finance or the bond election process.

The fact that many voters aren't served well by the current system is perhaps best exemplified by the *Austin American-Statesman's* 2014 interview with Gretchen Gardner. From the [article](#):

"I'm at the breaking point," said Gretchen Gardner, an Austin artist who bought a 1930s bungalow in the Bouldin neighborhood just south of downtown in 1991 and has watched her property tax bill soar to \$8,500 this year.

"It's not because I don't like paying taxes," said Gardner, who attended both meetings. **"I have voted for every park, every library, all the school improvements, for light rail, for anything that will make this city better. But now I can't afford to live here anymore.** I'll protest my appraisal notice, but that's not enough. Someone needs to step in and address the big picture." [emphasis mine]

I suspect that Ms. Gardner is not alone in her inability to make the connection between new debt and new taxes. Had Ms. Gardner known the potential ramifications of her decisions, she would have perhaps chosen differently—as would have many others. At a minimum, Gardner and company would have at least entered into the process in a more well-informed manner.

Cypress-Fairbanks ISD offers another illustration of the importance of this legislation.

In May 2019, Cypress-Fairbanks ISD will ask voters to approve a single bond proposition (Proposition A) worth a staggering \$1.76 billion. This is the [language](#) that will be before voters:

The issuance of \$1,762,000,000 of bonds for the construction, acquisition, renovation, and equipment of school buildings in the district, including safety and security infrastructure, for the purchase of the necessary sites for school buildings, and for the purchase of new school buses and the levying of the tax in payment thereof.

Included in this \$1.76 billion ask are all manner of projects, from facilities (\$258.2 million) to safety and security enhancements (\$207.7 million) to transportation (\$88.2 million) to technology (\$239 million) to renovations and additions (\$969 million). Voters may agree that some of those projects are necessary, but they will not be given the opportunity to choose. Instead, they will be forced to choose in a “take-it-or-leave-it” approach.

Of course, this will not be the first time that Cypress-Fairbanks ISD has placed a single-item, billion-dollar proposition before voters either. In May 2015, the district called for “...a \$1.2 billion bond referendum to be placed on the ballot as a **single proposition** on the May 10 Election Day.” [emphasis mine]

Board approves bond election for May 10



A 50-member Long-range Planning Committee (LRPC) gathered to evaluate and assess current and future needs of the district.

The Cypress-Fairbanks Independent School District Board of Trustees unanimously voted to call for a bond election to be held on May 10. The Board approved for a \$1.2 billion bond referendum to be placed on the ballot as a single proposition on the May 10 Election Day. If approved by registered voters, funds from the bond referendum would address the following:

Source: [Inside Cypress-Fairbanks ISD](#)

Illustrations like this demonstrate the need for legislation like SB 30. These types of reforms promise to put the power back into the hands of voters by improving their ability to make sound decisions and allowing them to make choices. That is the kind of system that Texas should be aiming for.

In the words of James Madison: “Knowledge will forever govern ignorance: And a people who mean to be their own Governors must arm themselves with the power which knowledge gives.”

Thank you for your time. I look forward to answering any question that you may have. ★



James Quintero is the director of the Think Local Liberty project at the Texas Public Policy Foundation. He’s been featured in the *New York Times*, *Forbes*, the *Huffington Post*, Fox News, and Breitbart.

Since joining the Foundation in 2008, Quintero has focused his research efforts on state and local government spending, debt, taxes, financial transparency, annexation, and pension reform. Quintero received a bachelor’s degree from the University of Texas at Austin and an M.P.A. with an emphasis in public finance from Texas State University.

