

By: Campbell

S.B. No. 462

A BILL TO BE ENTITLED

AN ACT

relating to ballot propositions authorizing certain political subdivisions to issue debt obligations.

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

SECTION 1. Chapter 1251, Government Code, is amended by designating Sections 1251.001, 1251.002, 1251.003, 1251.004, 1251.005, and 1251.006 as Subchapter A and adding a subchapter heading to read as follows:

SUBCHAPTER A. PROVISIONS RELATING GENERALLY TO COUNTY AND MUNICIPAL BOND ELECTIONS

SECTION 2. Chapter 1251, Government Code, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. BALLOT FOR BONDS ISSUED BY POLITICAL SUBDIVISION

Sec. 1251.051. DEFINITIONS. In this subchapter:

(1) "Debt obligation" means an issued public security, as defined by Section 1201.002, that is secured by ad valorem taxes.

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

Sec. 1251.052. CONTENTS OF BALLOT PROPOSITION. The proposition submitted for an election to authorize a political subdivision to issue debt obligations must distinctly state:

(1) the purpose for which the debt obligations are to be authorized;

1 (2) the principal amount of the debt obligations to be
2 authorized;

3 (3) that taxes sufficient to pay the annual principal
4 of and interest on the debt obligations may be imposed;

5 (4) the aggregate amount of the outstanding principal
6 of the political subdivision's debt obligations as of the beginning
7 of the political subdivision's fiscal year in which the election is
8 ordered; and

9 (5) the ad valorem debt service tax rate for the
10 political subdivision at the time the election is ordered,
11 expressed as an amount per \$100 valuation of taxable property.

12 Sec. 1251.053. FORM OF BALLOT. The secretary of state may
13 adopt a form of the ballot for an election held under this
14 subchapter. A political subdivision is not required to use any
15 adopted form.

16 SECTION 3. Section 1251.052, Government Code, as added by
17 this Act, applies only to an election ordered on or after the
18 effective date of this Act. An election ordered before the
19 effective date of this Act is governed by the law in effect when the
20 election was ordered, and the former law is continued in effect for
21 that purpose.

22 SECTION 4. This Act takes effect September 1, 2019.