

By: Murphy

H.B. No. 1321

A BILL TO BE ENTITLED

1 AN ACT
2 relating to election procedures for the authorization of certain
3 debt by political subdivisions.

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

5 SECTION 1. Chapter 1251, Government Code, is amended by
6 designating Sections 1251.001, 1251.002, 1251.003, 1251.004,
7 1251.005, and 1251.006 as Subchapter A and adding a heading to
8 Subchapter A to read as follows:

9 SUBCHAPTER A. COUNTIES AND MUNICIPALITIES

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

12 SUBCHAPTER B. BOND MATTERS AFFECTING MORE THAN ONE TYPE OF
13 POLITICAL SUBDIVISION

14 Sec. 1251.051. DEFINITIONS. In this subchapter:

15 (1) "Debt obligation" means an issued public security,
16 as defined by Section 1201.002.

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

20 Sec. 1251.052. CONTENTS OF BALLOT PROPOSITION. (a) The
21 proposition submitted for an election to authorize a political
22 subdivision to issue bonds must distinctly state:

23 (1) as a total amount and as a per capita amount:

24 (A) the then-current principal of all

1 outstanding debt obligations of the political subdivision;

2 (B) the then-current combined principal and
3 interest required to pay all outstanding debt obligations of the
4 political subdivision on time and in full;

5 (C) the principal of the bonds to be authorized;
6 and

7 (D) the estimated combined principal and
8 interest required to pay the bonds to be authorized on time and in
9 full;

10 (2) the purpose for which the bonds are to be
11 authorized;

12 (3) the estimated rate of interest for the bonds to be
13 authorized; and

14 (4) the maturity date of the bonds to be authorized.

15 (b) The requirements for a proposition prescribed by this
16 section are in addition to any other requirements prescribed by
17 law. To the extent of a conflict between this section and Section
18 52.072, Election Code, this section controls.

19 SECTION 3. Section 271.049, Local Government Code, is
20 amended by amending Subsection (c) and adding Subsection (e) to
21 read as follows:

22 (c) If before the date tentatively set for the authorization
23 of the issuance of the certificates or if before the authorization,
24 the municipal secretary or clerk if the issuer is a municipality, or
25 the county clerk if the issuer is a county, receives a petition
26 signed by at least five percent of the qualified voters of the
27 issuer protesting the issuance of the certificates, the issuer may

1 not authorize the issuance of the certificates unless the issuance
2 is approved at an election ordered, held, and conducted in the
3 manner provided for bond elections under Chapter 1251, Government
4 Code. A proposition printed for an election under this subsection
5 must state:

6 (1) as a total amount and as a per capita amount:

7 (A) the then-current principal of all
8 outstanding debt obligations of the issuer;

9 (B) the then-current combined principal and
10 interest required to pay all outstanding debt obligations of the
11 issuer on time and in full;

12 (C) the principal of the certificates to be
13 authorized; and

14 (D) the estimated combined principal and
15 interest required to pay the certificates to be authorized on time
16 and in full;

17 (2) the purpose for which the certificates are to be
18 authorized;

19 (3) the estimated rate of interest for the
20 certificates to be authorized; and

21 (4) the maturity date of the certificates to be
22 authorized.

23 (e) In this section, "debt obligation" means an issued
24 public security, as defined by Section 1201.002, Government Code.

25 SECTION 4. Section 1251.052, Government Code, as added by
26 this Act, and Section 271.049(c), Local Government Code, as amended
27 by this Act, apply only to an election ordered on or after the

1 effective date of this Act. An election ordered before the
2 effective date of this Act is governed by the law in effect when the
3 election was ordered, and the former law is continued in effect for
4 that purpose.

5 SECTION 5. This Act takes effect September 1, 2013.