

By: Capriglione

H.B. No. 3151

A BILL TO BE ENTITLED

AN ACT

relating to required disclosures on a municipal bond election ballot.

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

SECTION 1. Section 1251.002, Government Code, is amended to read as follows:

Sec. 1251.002. CONTENTS OF PROPOSITION. (a) The proposition submitted in the election must distinctly state:

(1) the purpose for which the bonds are to be issued;

(2) the amount of the bonds;

(3) the rate of interest;

(4) the imposition of taxes sufficient to pay the annual interest on the bonds and to provide a sinking fund to redeem the bonds at maturity; and

(5) the maturity date of the bonds or that the bonds may be issued to mature serially over a specified number of years not to exceed 40.

(b) If the election is held by a municipality, the proposition submitted in the election must include a separate box located beneath the information required under Subsection (a) that states or restates, as applicable:

(1) the amount of bonds;

(2) a plain language description of the public purpose for which the bonds are to be issued;

1 (3) the proportion of the municipality's total bonding
2 cap that will be encumbered through the issuance of the amount
3 described by Subdivision (1);

4 (4) the year in which the bonds will be retired;

5 (5) whether the issuance would require any new taxes,
6 fees, or assessments, or an increase in existing taxes, fees, or
7 assessments;

8 (6) an analysis of:

9 (A) the annual costs that each homeowner of an
10 average-priced home within the municipality or renter paying the
11 average rent within the municipality may be required to pay if the
12 bonds are supported by ad valorem taxes;

13 (B) the annual costs that each resident of the
14 municipality would be required to pay if the bonds are supported by
15 sales or other use taxes; or

16 (C) the annual costs that each affected resident
17 of the municipality would be required to pay if the bonds are
18 supported by other assessments or fees; and

19 (7) whether any of the projects to be supported by the
20 bonds are anticipated to require the exercise of the power of
21 eminent domain.

22 (c) The secretary of state shall prescribe the form of the
23 box containing the information required by Subsection (b).

24 SECTION 2. This Act takes effect September 1, 2013.