

By: Paxton

S.B. No. 637

A BILL TO BE ENTITLED

1 AN ACT

2 relating to notice and proposition language requirements for bond  
3 approval elections held 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 adding Section 1251.0001 to read as follows:

7 Sec. 1251.0001. DEFINITION. In this chapter, "taxing unit"  
8 has the meaning assigned by Section 1.04, Tax Code.

9 SECTION 2. Section 1251.001, Government Code, is amended to  
10 read as follows:

11 Sec. 1251.001. BOND ELECTION REQUIRED. A taxing unit  
12 [~~county or municipality~~] may not issue bonds that are to be paid  
13 from ad valorem taxes unless the issuance is first approved by the  
14 qualified voters of the taxing unit [~~county or municipality~~] in an  
15 election.

16 SECTION 3. Section 1251.002, Government Code, is amended to  
17 read as follows:

18 Sec. 1251.002. CONTENTS OF PROPOSITION. The proposition  
19 submitted in an [~~the~~] election under this chapter must distinctly  
20 state:

- 21 (1) the purpose for which the bonds are to be issued;  
22 (2) the amount of the bonds;  
23 (3) the rate of interest;  
24 (4) the imposition of taxes, including the maximum tax

1 rate, sufficient to pay the annual interest on the bonds and to  
2 provide a sinking fund to redeem the bonds at maturity; [~~and~~]

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

6 (6) the aggregate amount of outstanding bonds and  
7 other debt obligations, including interest, accumulated by the  
8 taxing unit on the date of the election; and

9 (7) the ad valorem debt tax rate for outstanding bonds  
10 and other debt obligations, including interest, imposed by the  
11 taxing unit on the date of the election.

12 SECTION 4. Section 1251.003, Government Code, is amended by  
13 amending Subsections (a) and (d) and adding Subsection (e-1) to  
14 read as follows:

15 (a) The general election laws govern an [~~the~~] election under  
16 this chapter, except as provided by this section.

17 (d) In addition to the notice required by Section 4.003(c),  
18 Election Code, notice of the election shall be given by:

19 (1) posting a substantial copy of the election order  
20 at:

21 (A) three public places in the boundaries of the  
22 taxing unit [~~county or municipality~~] holding the election; and

23 (B) the county courthouse, if the election is a  
24 county election, or the city hall, if the election is a municipal  
25 election; [~~and~~]

26 (2) publishing notice of the election in a newspaper  
27 of general circulation [~~published~~] in the boundaries of the taxing

1 unit [~~county or municipality~~] holding the election; and  
2 (3) prominently posting the notice of the election and  
3 the contents of the proposition on the taxing unit's Internet  
4 website, if the taxing unit maintains an Internet website.

5 (e-1) If required by Subsection (d)(3), the notice and  
6 proposition must be posted on the Internet website as soon as  
7 practicable after the election is ordered and must remain on the  
8 website through the date of the election.

9 SECTION 5. Section 1251.004, Government Code, is amended to  
10 read as follows:

11 Sec. 1251.004. IMPOSITION OF TAX. At an election ordered on  
12 the issuance of bonds of a taxing unit [~~county or municipality~~], or  
13 of a political subdivision or defined district of a county or  
14 municipality, the governing body of the taxing unit [~~county or~~  
15 ~~municipality~~] shall also submit the question of whether to impose a  
16 tax on property in the taxing unit [~~county, municipality~~], other  
17 political subdivision, or defined district to pay interest on the  
18 bonds and to provide a sinking fund to redeem the bonds.

19 SECTION 6. Section 1251.005, Government Code, is amended to  
20 read as follows:

21 Sec. 1251.005. BALLOT PROPOSITION. At an [~~the~~] election  
22 under this chapter, the ballots shall be printed to permit voting  
23 for or against the proposition: "The issuance of bonds and the  
24 imposition of an ad valorem tax."

25 SECTION 7. The changes in law made by this Act apply only to  
26 an election ordered on or after the effective date of this Act. An  
27 election ordered before the effective date of this Act is governed

1 by the law in effect when the election was ordered, and the former  
2 law is continued in effect for that purpose.

3 SECTION 8. This Act takes effect immediately if it receives  
4 a vote of two-thirds of all the members elected to each house, as  
5 provided by Section 39, Article III, Texas Constitution. If this  
6 Act does not receive the vote necessary for immediate effect, this  
7 Act takes effect September 1, 2013.