By:  Bettencourt S.B. No. 2219

(In the Senate - Filed March 8, 2019; March 21, 2019, read first time and referred to Committee on Property Tax; April 23, 2019, reported favorably by the following vote: Yeas 5, Nays 0; April 23, 2019, sent to printer.)

COMMITTEE VOTE

               Yea Nay Absent  PNV

Bettencourt     X

Paxton          X

Creighton       X

Hancock         X

Hinojosa        X

A BILL TO BE ENTITLED

AN ACT

relating to ballot propositions authorizing political subdivisions to issue bonds or other debt or to impose or change a tax.

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

SECTION 1.  Subchapter A, Chapter 41, Election Code, is amended by adding Section 41.0051 to read as follows:

Sec. 41.0051.  PROPOSITION FOR APPROVAL OF ISSUANCE OF BONDS OR OTHER DEBT. (a)  A proposition for approval of the issuance of bonds or other debt shall be submitted to the voters in an election held on the November uniform election date, except as provided by Subsection (b).

(b)  Notwithstanding Section 41.0011(a), an emergency election under Section 41.0011 at which a proposition described by Subsection (a) is submitted to the voters shall be held on any uniform election date.

(c)  If a law outside this code requires a proposition described by Subsection (a) to be submitted to the voters in an election held on a date other than the November uniform election date, the authority administering the election shall set the election date to comply with this section.

SECTION 2.  Section 52.072, Election Code, is amended by amending Subsection (e) and adding Subsection (f) to read as follows:

(e)  In addition to any other requirement imposed by law for a proposition, including a provision prescribing the proposition language, a proposition in an election of a political subdivision, including a city, county, school district, or special taxing district, submitted to the voters for approval of [~~the issuance of bonds or~~] the imposition, increase, or reduction of a tax shall specifically state, as applicable:

(1)  [~~with respect to a proposition seeking voter approval of the issuance of bonds:~~

[~~(A)  the total principal amount of the bonds to be authorized, if approved; and~~

[~~(B)  a general description of the purposes for which the bonds are to be authorized, if approved;~~

[~~(2)~~]  with respect to a proposition that only seeks voter approval of the imposition or increase of a tax:

(A)  [~~,~~] the amount of or maximum tax rate of the tax or tax increase for which approval is sought;

(B)  the estimated additional tax burden that would be imposed on a homestead with a value equal to the median homestead value in the political subdivision, as computed by the appraisal district, after the imposition or increase of the tax, if approved; and

(C)  a detailed description of the purposes for which the tax is to be imposed or increased, if approved; or

(2) [~~(3)~~]  with respect to a proposition that only seeks voter approval of the reduction of a tax:

(A)  [~~,~~] the amount of tax rate reduction or the tax rate for which approval is sought; and

(B)  the estimated tax reduction for a homestead with a value equal to the median homestead value in the political subdivision, as computed by the appraisal district, if the reduction of the tax is approved.

(f)  A proposition to which Subsection (e) applies or for approval of the issuance of bonds may not exceed:

(1)  5,000 characters; or

(2)  a different limit prescribed by the secretary of state that ensures that the length of the proposition does not exceed one page of the ballot or one screen on an electronic voting machine.

SECTION 3.  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 BOND ELECTIONS

SECTION 4.  Chapter 1251, Government Code, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. BALLOT PROPOSITION FOR BONDS ISSUED BY POLITICAL SUBDIVISION

Sec. 1251.051.  APPLICABILITY. This subchapter applies to bonds issued by any political subdivision, including a municipality, county, school district, or special taxing district.

Sec. 1251.052.  FORM. A proposition seeking voter approval of the issuance of bonds shall specifically state:

(1)  a general description of the purposes for which the bonds are to be authorized;

(2)  the total principal amount of the bonds;

(3)  the total amount of the political subdivision's debt secured by ad valorem taxes currently outstanding;

(4)  the total amount of the political subdivision's current payments on debt secured by ad valorem taxes;

(5)  the amount of taxes required to be imposed on a homestead with a value equal to the median homestead value in the political subdivision, as computed by the appraisal district, to repay the political subdivision's current debt obligations secured by ad valorem taxes; and

(6)  the estimated tax burden that would be imposed on a homestead with a value equal to the median homestead value in the political subdivision, as computed by the appraisal district, to repay the bonds to be authorized, if approved.

SECTION 5.  The changes in law made by this Act apply only to an election ordered on or after the effective date of this Act. An election ordered before the effective date of this Act is governed by the law in effect when the election was ordered, and the former law is continued in effect for that purpose.

SECTION 6.  This Act takes effect September 1, 2019.

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