By: Campbell, Creighton   S.B. No. 462
     Kolkhorst

A BILL TO BE ENTITLED

1   AN ACT

2 relating to ballot propositions authorizing certain political

3 subdivisions to issue debt obligations.

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 subchapter

8 heading to read as follows:

9   SUBCHAPTER A. PROVISIONS RELATING GENERALLY TO COUNTY AND

10   MUNICIPAL BOND ELECTIONS

11   SECTION 2.   Chapter 1251, Government Code, is amended by

12 adding Subchapter B to read as follows:

13 SUBCHAPTER B. BALLOT FOR BONDS ISSUED BY 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, that is secured by ad valorem taxes.

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.   The

21 proposition submitted for an election to authorize a political

22 subdivision to issue debt obligations must distinctly state:

23   (1) the purpose for which the debt obligations are to

24 be authorized;

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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:

12   (A) an amount per $100 valuation of taxable

13 property; and

14   (B) a percentage of the political subdivision's

15 adopted tax rate as of the beginning of the political subdivision's

16 fiscal year in which the election is ordered.

17   Sec. 1251.053. FORM OF BALLOT. The secretary of state may

18 adopt a form of the ballot for an election held under this

19 subchapter. A political subdivision is not required to use any

20 adopted form.

21   SECTION 3. Section 1251.052, Government Code, as added by

22 this Act, applies only to an election ordered on or after the

23 effective date of this Act. An election ordered before the

24 effective date of this Act is governed by the law in effect when the

25 election was ordered, and the former law is continued in effect for

26 that purpose.

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