

85R282 MK-D

By: Shaheen

H.B. No. 738

A BILL TO BE ENTITLED
AN ACT

relating to certain information included with ballot propositions for elections to authorize state and local general obligation bonds.

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

SECTION 1. Subchapter A, Chapter 274, Election Code, is amended by adding Section 274.004 to read as follows:

Sec. 274.004. PROPOSITION STATEMENT REGARDING GENERAL OBLIGATION BONDS OF THIS STATE. (a) In addition to any other wording for a ballot proposition for a proposed constitutional amendment to authorize the issuance of general obligation bonds of this state, the secretary of state shall require that the proposition, both on the ballot and in the proclamation ordering the election at which the amendment will be submitted, be accompanied by a statement that includes the following amounts, with each stated as a total amount and as a per capita amount for the then-current population of this state:

(1) the then-current general obligation debt of this state;

(2) the maximum amount of additional general obligation debt of this state that would be authorized by the proposed amendment; and

(3) the maximum estimated cost to repay the general obligation debt that would be authorized by the proposed amendment, including principal and interest, at a stated likely interest rate.

(b) For the purposes of the information required by Subsection (a), on the request of the secretary of state the Bond Review Board shall:

(1) certify the then-current general obligation debt of this state;

(2) determine a likely interest rate for the proposed bonds; and

(3) compute the estimated maximum repayment cost in accordance with the likely interest rate determined under Subdivision (2).

(c) The ballot required by this section must be printed in substantially the following format:

<u>DEBT ITEMS</u>	<u>TOTAL</u>	<u>PER CAPITA</u>
<u>CURRENT</u>		
<u>GENERAL</u>		
<u>OBLIGATION</u>		
<u>DEBT</u>	\$ _____	\$ _____
<u>PROPOSED NEW</u>		
<u>GENERAL</u>		
<u>OBLIGATION</u>		
<u>DEBT</u>	\$ _____	\$ _____
<u>COST TO</u>		
<u>REPAY</u>		
<u>ADDITIONAL</u>		
<u>GENERAL</u>		
<u>OBLIGATION</u>		

DEBT
AT _____ %
INTEREST
OVER _____
YEARS _____ \$ _____ \$ _____

(d) The statement required by this section must:

(1) be considered by the secretary of state before the
secretary certifies the proposed amendment under Section
274.003(a); and

(2) be appropriately translated as provided by Section
274.003(c) for other ballot language.

SECTION 2. Subtitle C, Title 9, Government Code, is amended by adding Chapter 1253 to read as follows:

CHAPTER 1253. BALLOT INFORMATION FOR ELECTION TO AUTHORIZE LOCAL
GOVERNMENTAL GENERAL OBLIGATION BONDS

Sec. 1253.001. DEFINITION. In this chapter, "local
government" means a political subdivision or special-purpose
district or authority of this state, including a county,
municipality, school district, junior college district, hospital
district, or conservation and reclamation district.

Sec. 1253.002. BALLOT INFORMATION FOR ELECTION REGARDING
GENERAL OBLIGATION BONDS. (a) This section applies to a ballot
printed for an election to authorize a local government to issue
general obligation bonds.

(b) A ballot must include with the ballot proposition a
statement that includes the following amounts, with each stated as
a total amount and as a per capita amount for the then-current
population of the local government:

(1) the then-current general obligation debt of the
local government;

(2) the maximum amount of additional general
obligation debt of the local government that would be authorized if
the proposition is passed; and

(3) the maximum estimated cost to repay the general
obligation debt that would be authorized by the proposed amendment,
including principal and interest, at a stated likely interest rate.

(c) The ballot required by this section must be printed in
substantially the following format:

<u>DEBT ITEMS</u>	<u>TOTAL</u>	<u>PER CAPITA</u>
<u>CURRENT</u>		
<u>GENERAL</u>		
<u>OBLIGATION</u>		
<u>DEBT</u>	\$ _____	\$ _____
<u>PROPOSED NEW</u>		
<u>GENERAL</u>		
<u>OBLIGATION</u>	\$ _____	\$ _____
<u>DEBT</u>		
<u>COST TO</u>		
<u>REPAY</u>		
<u>ADDITIONAL</u>		
<u>GENERAL</u>		
<u>OBLIGATION</u>		
<u>DEBT</u>		
<u>AT</u> _____ %		
<u>INTEREST</u>		
<u>OVER</u> _____	\$ _____	\$ _____
<u>YEARS</u>		

Sec. 1253.003. DETERMINATION OF BALLOT INFORMATION. For the purposes of the information required by Section 1253.002(b), the treasurer of the local government, or another person as determined by the governing body of the local government, shall:

(1) certify the then-current general obligation debt of the local government;

(2) determine a likely interest rate for the proposed bonds; and

(3) compute the estimated maximum repayment cost in accordance with the likely interest rate determined under Subdivision (2).

SECTION 3. Section 274.004, Election Code, as added by this Act, and Chapter 1253, Government Code, as added by this Act, apply only to a ballot proposition for an election held on or after November 1, 2018.

SECTION 4. This Act takes effect September 1, 2017.