

GOVERNMENT CODE

TITLE 9. PUBLIC SECURITIES

SUBTITLE C. PROVISIONS APPLICABLE TO SECURITIES ISSUED BY MORE THAN  
ONE TYPE OF LOCAL GOVERNMENT

CHAPTER 1251. BOND ELECTIONS

SUBCHAPTER A. PROVISIONS RELATING GENERALLY TO COUNTY AND  
MUNICIPAL BOND ELECTIONS

Sec. 1251.001. BOND ELECTION REQUIRED. A county or municipality may not issue bonds that are to be paid from ad valorem taxes unless the issuance is first approved by the qualified voters of the county or municipality in an election.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1251.003. CONDUCT OF ELECTION. (a) The general election laws govern the election except as provided by this section.

(b) The order for the election must include the location of each polling place and the hours that the polls will be open.

(c) The election shall be held not less than 15 days nor more than 90 days from the date of the election order, subject to Section [41.001\(b\)](#), Election Code.

(d) In addition to the notice required by Section [4.003\(c\)](#), Election Code, notice of the election shall be given by:

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

(A) three public places in the county or municipality holding the election; and

(B) the county courthouse, if the election is a county election, or the city hall, if the election is a municipal election; and

(2) publishing notice of the election in a newspaper of general circulation published in the county or municipality holding the election.

(e) The notice required by Subsection (d)(2) must be published on the same day in each of two successive weeks. The

first publication must be not less than 14 days before the date of the election.

(f) To the extent of a conflict between this section and a municipal charter, this section controls.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1251.004. IMPOSITION OF TAX. At an election ordered on the issuance of bonds of a county or municipality, or of a political subdivision or defined district of a county or municipality, the governing body of the county or municipality shall also submit the question of whether to impose a tax on property in the county, municipality, political subdivision, or defined district to pay interest on the bonds and to provide a sinking fund to redeem the bonds.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1251.005. BALLOT PROPOSITION. At the election, the ballots shall be printed to permit voting for or against the proposition: "The issuance of bonds."

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1251.006. CERTAIN BONDS EXEMPTED. (a) Sections [1251.001](#), 1251.002, and [1251.004](#) do not apply to:

- (1) refunding bonds of a county or municipality; or
- (2) bonds issued in an amount less than \$2,000 to repair a building or structure that may be built using the proceeds of bonds.

(b) If bonds described by Subsection (a)(2) are issued, the aggregate principal amount of those bonds may not exceed \$2,000 in a calendar year.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

This Subchapter B, consisting of Secs. 1251.051 to 1251.052, was added by Acts 2019, 86th Leg., R.S., Ch. 505 (S.B. [30](#)), Sec. 4. See also another Subchapter B, consisting of Secs. 1251.051 to 1251.052, as added by Acts 2019, 86th Leg., R.S., Ch. 728 (H.B. [477](#)), Sec. 4.

SUBCHAPTER B. BALLOT FOR DEBT OBLIGATIONS ISSUED BY POLITICAL  
SUBDIVISION

Sec. 1251.051. DEFINITIONS. In this subchapter:

(1) "Debt obligation" means a public security, as defined by Section 1201.002, secured by and payable from ad valorem taxes. The term does not include public securities that are designated as self-supporting by the political subdivision issuing the securities.

(2) "Political subdivision" means a municipality, county, school district, or special taxing district.

Added by Acts 2019, 86th Leg., R.S., Ch. 505 (S.B. 30), Sec. 4, eff. September 1, 2019.

Sec. 1251.052. FORM. (a) The ballot for a measure seeking voter approval of the issuance of debt obligations by a political subdivision shall specifically state:

(1) a plain language description of the single specific purposes for which the debt obligations are to be authorized;

(2) the total principal amount of the debt obligations to be authorized; and

(3) that taxes sufficient to pay the principal of and interest on the debt obligations will be imposed.

(a-1) Each single specific purpose for which debt obligations requiring voter approval are to be issued must be printed on the ballot as a separate proposition. A proposition may include as a specific purpose one or more structures or improvements serving the substantially same purpose and may include related improvements and equipment necessary to accomplish the specific purpose.

Added by Acts 2019, 86th Leg., R.S., Ch. 505 (S.B. 30), Sec. 4, eff. September 1, 2019.

This Subchapter B, consisting of Secs. 1251.051 to 1251.052, was added by Acts 2019, 86th Leg., R.S., Ch. 728 (H.B. 477), Sec. 4.

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SUBCHAPTER B. BALLOT FOR DEBT OBLIGATIONS ISSUED BY POLITICAL  
SUBDIVISION

Sec. 1251.051. DEFINITIONS. In this subchapter:

(1) "Debt obligation" means a public security, as defined by Section 1201.002, secured by and payable from ad valorem taxes. The term does not include public securities that are designated as self-supporting by the political subdivision issuing the securities.

(2) "Debt obligation election order" means the order, ordinance, or resolution ordering an election to authorize the issuance of debt obligations.

(3) "Political subdivision" means a municipality, county, school district, or special taxing district.

Added by Acts 2019, 86th Leg., R.S., Ch. 728 (H.B. 477), Sec. 4, eff. September 1, 2019.

Sec. 1251.052. FORM. (a) The ballot for a measure seeking voter approval of the issuance of debt obligations by a political subdivision shall specifically state:

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

(2) the total principal amount of the debt obligations to be authorized; and

(3) that taxes sufficient to pay the principal of and interest on the debt obligations will be imposed.

(b) A political subdivision with at least 250 registered voters on the date the governing body of the political subdivision adopts the debt obligation election order must prepare a voter information document for each proposition to be voted on at the election. The political subdivision shall post the voter information document in the same manner as a debt obligation election order is required to be posted under Section 4.003(f), Election Code, and may include the voter information document in the debt obligation election order. The voter information

document must distinctly state:

(1) the language that will appear on the ballot;

(2) the following information formatted as a table:

(A) the principal of the debt obligations to be authorized;

(B) the estimated interest for the debt obligations to be authorized;

(C) the estimated combined principal and interest required to pay on time and in full the debt obligations to be authorized; and

(D) as of the date the political subdivision adopts the debt obligation election order:

(i) the principal of all outstanding debt obligations of the political subdivision;

(ii) the estimated remaining interest on all outstanding debt obligations of the political subdivision, which may be based on the political subdivision's expectations relative to the interest due on any variable rate debt obligations; and

(iii) the estimated combined principal and interest required to pay on time and in full all outstanding debt obligations of the political subdivision, which may be based on the political subdivision's expectations relative to the interest due on any variable rate debt obligations;

(3) the estimated maximum annual increase in the amount of taxes that would be imposed on a residence homestead in the political subdivision with an appraised value of \$100,000 to repay the debt obligations to be authorized, if approved, based upon assumptions made by the governing body of the political subdivision; and

(4) any other information that the political subdivision considers relevant or necessary to explain the information required by this subsection.

(c) The governing body of the political subdivision shall identify in the voter information document the major assumptions made in connection with the statement required by Subsection (b)(3), including:

(1) the amortization of the political subdivision's debt obligations, including outstanding debt obligations and the proposed debt obligations;

(2) changes in estimated future appraised values within the political subdivision; and

(3) the assumed interest rate on the proposed debt obligations.

(d) A political subdivision that maintains an Internet website shall provide the information described by Subsection (b) on its website in an easily accessible manner beginning not later than the 21st day before election day and ending on the day after the date of the debt obligation election.

(e) This section provides the ballot proposition language for an election to authorize the issuance of debt obligations by a political subdivision. To the extent of a conflict between this section and another law, this section controls.

Added by Acts 2019, 86th Leg., R.S., Ch. 728 (H.B. [477](#)), Sec. 4, eff. September 1, 2019.