1-7   COMMITTEE VOTE

1-8		Yea	Nay	Absent	PNV
1-9	Bettencourt	X			
1-10	Springer	X			
1-11	Eckhardt	X			
1-12	Gutierrez			X	
1-13	Hall	X			
1-14	Nichols	X			
1-15	Parker	X			
1-16	Paxton	X			
1-17	West			X	

1-18   A BILL TO BE ENTITLED
1-19   AN ACT

1-20 relating to the issuance of bonds by certain local government
1-21 corporations.
1-22   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-23   SECTION 1. Section 431.003(3), Transportation Code, is
1-24 amended to read as follows:
1-25   (3) "Local government" means:
1-26   (A) a municipality;
1-27   (B) a county; or
1-28   (C) for purposes of Subchapter D or D-1:
1-29   (i) a navigation district, hospital
1-30 district, or hospital authority;
1-31   (ii) a regional transportation authority
1-32 governed by Chapter 452;
1-33   (iii) a rapid transit authority governed by
1-34 Chapter 451; or
1-35   (iv) a coordinated county transportation
1-36 authority governed by Chapter 460.
1-37   SECTION 2. Section 431.070(a), Transportation Code, is
1-38 amended to read as follows:
1-39   (a) Subject to Subchapter D-1, a [A] corporation may issue
1-40 bonds and notes to carry out its purpose.
1-41   SECTION 3. Section 431.101(b), Transportation Code, is
1-42 amended to read as follows:
1-43   (b) Except as provided by Subchapter D-1, a [A] local
1-44 government corporation has the powers of a corporation authorized
1-45 for creation by the commission under this chapter.
1-46   SECTION 4. Chapter 431, Transportation Code, is amended by
1-47 adding Subchapter D-1 to read as follows:
1-48   SUBCHAPTER D-1. ISSUANCE OF BONDS BY CERTAIN LOCAL GOVERNMENT
1-49   CORPORATIONS CREATED BY MUNICIPALITIES OR COUNTIES
1-50   Sec. 431.120. APPLICABILITY OF SUBCHAPTER. This subchapter
1-51 applies to a local government corporation created by a municipality
1-52 or county independently or with another local government that has
1-53 entered into an agreement with a municipality or county for the
1-54 transfer to the corporation of revenue from ad valorem taxes that
1-55 were approved by the voters of the municipality or county under
1-56 Section 26.07, Tax Code.
1-57   Sec. 431.121. DEFINITION.   In this subchapter, "bond"
1-58 includes a note, revenue bond, or loan.
1-59   Sec. 431.122. BOND ELECTION REQUIRED. (a) Notwithstanding
1-60 any other law, a local government corporation may not issue bonds,
1-61 other than refunding bonds, to be paid wholly or partly from ad

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2-1   valorem taxes transferred from a municipality or county to the
2-2   corporation that were approved by the voters of the municipality or
2-3   county under Section 26.07, Tax Code, unless the corporation is
2-4   first authorized to issue bonds under this subchapter by the voters
2-5   of the municipality or county in an election held by the
2-6   municipality or county for that purpose.
2-7   (b) Bonds authorized under this subchapter to finance a
2-8   project may be issued in one or more series.
2-9   (c) An election held for purposes of this section must be:
2-10   (1) conducted as provided by Section 1251.003,
2-11 Government Code; and
2-12   (2) held in the municipality or county on the uniform
2-13 election date in November.
2-14   Sec. 431.123. FORM OF BALLOT. (a) The ballot proposition
2-15 for a measure seeking voter approval for issuance of bonds under
2-16 this subchapter must include:
2-17   (1) a plain language description of the purposes for
2-18 which the bonds are to be authorized;
2-19   (2) the principal amount not to be exceeded in the
2-20 aggregate of the bonds authorized to be issued in one or more
2-21 series;
2-22   (3) the maximum maturity date of the bonds to be
2-23 authorized, not to exceed 40 years; and
2-24   (4) that the principal of and interest on the bonds
2-25 will be wholly or partly paid from funds received pursuant to an
2-26 agreement with the municipality or county for the transfer of ad
2-27 valorem taxes approved by the voters of the municipality or county
2-28 under Section 26.07, Tax Code.
2-29   (b) A proposition may include as a purpose one or more
2-30 structures or improvements serving the substantially same purpose
2-31 and may include related improvements and equipment necessary to
2-32 accomplish the purpose.
2-33   (c) The result of an election held under this subchapter
2-34 does not affect the result of a prior election held under Section
2-35 26.07, Tax Code.
2-36   Sec. 431.124. CONDITION OF BONDS. A bond authorized to be
2-37 issued under this subchapter may not mature more than 40 years after
2-38 the date the bond was issued.
2-39   SECTION 5. Section 1207.001(1), Government Code, is amended
2-40 to read as follows:
2-41   (1) "Issuer" means this state or any department,
2-42 board, authority, agency, subdivision, municipal corporation,
2-43 district, public corporation, body politic, or instrumentality of
2-44 this state which has the power to borrow money and issue bonds,
2-45 notes, or other evidences of indebtedness. The term includes a
2-46 county, municipality, state-supported institution of higher
2-47 education, junior college district, regional college district,
2-48 school district, hospital district, water district, road district,
2-49 navigation district, conservation district, local government
2-50 corporation, and any other kind or type of political or
2-51 governmental entity.
2-52   SECTION 6. The change in law made by Subchapter D-1, Chapter
2-53 431, Transportation Code, as added by this Act, applies only to a
2-54 bond issued on or after the effective date of this Act.
2-55   SECTION 7. This Act takes effect immediately if it receives
2-56 a vote of two-thirds of all the members elected to each house, as
2-57 provided by Section 39, Article III, Texas Constitution. If this
2-58 Act does not receive the vote necessary for immediate effect, this
2-59 Act takes effect September 1, 2023.

2-60   * * * * *