

By: Plesa, Frazier, Bryant, Lambert, Vo,  
et al.

H.B. No. 3670

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the definition of "closing" for purposes of certain  
3 private activity bonds.

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

5 SECTION 1. Section [1372.001\(3\)](#), Government Code, is amended  
6 to read as follows:

7 (3) "Closing" means the [~~issuance and~~] delivery of a  
8 bond by an issuer in exchange for the required payment for the bond.  
9 The term includes, for a qualified residential rental project bond,  
10 delivery of a bond in exchange for a partial payment for the  
11 incremental funding of the bond in accordance with the terms of the  
12 bond, provided that the partial payment is not less than 10 percent  
13 of the required payment for the bond. The term does not include a  
14 delivery of a bond if expenditure of the proceeds of the bond is  
15 conditioned on obtaining credit enhancement in support of the bond.

16 SECTION 2. This Act takes effect immediately if it receives  
17 a vote of two-thirds of all the members elected to each house, as  
18 provided by Section [39](#), Article III, Texas Constitution. If this  
19 Act does not receive the vote necessary for immediate effect, this  
20 Act takes effect September 1, 2023.