

By: Plesa

H.B. No. 3670

A BILL TO BE ENTITLED

AN ACT

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

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

SECTION 1. Section 1372.001(3), Government Code, is amended to read as follows:

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

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