

Amend **HB 1875** (committee printing) on page 4, between lines 9 and 10, by inserting the following appropriately numbered SECTIONS and renumbering subsequent SECTIONS accordingly:

SECTION ____ Section 49.153(e), Water Code, is amended to read as follows:

(e) Subsection (c) does not apply to:

(1) a note issued to and approved by the:

(A) Farmers Home Administration;

(B) United States Department of Agriculture;

[~~or~~]

(C) Texas Water Development Board; or

(D) North American Development Bank; or

(2) a district described by Section 49.181(h).

SECTION ____ Section 49.181(a), Water Code, is amended to read as follows:

(a) A district may not issue bonds unless the commission determines that the project to be financed by the bonds is feasible and issues an order approving the issuance of the bonds. This section does not apply to refunding bonds or bonds issued to and approved by the Farmers Home Administration, the United States Department of Agriculture, the North American Development Bank, or the Texas Water Development Board.

SECTION ____ Sections 49.183(a) and (b), Water Code, are amended to read as follows:

(a) Except for refunding bonds, or bonds sold to a state or federal agency or to the North American Development Bank, bonds issued by a district shall be sold after advertising for and receiving competitive sealed bids and shall be awarded to the bidder whose bid produces the lowest net effective interest rate to