

By: Gattis

H.B. No. 1211

A BILL TO BE ENTITLED

AN ACT

relating to the use of proceeds of political subdivision bonds approved at an election.

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

SECTION 1. Sections 1251.001-1251.006, Government Code, are designated as Subchapter A, Chapter 1251, Government Code, and a heading for Subchapter A is added to read as follows:

SUBCHAPTER A. BOND ELECTION REQUIREMENTS

SECTION 2. Chapter 1251, Government Code, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. CONSEQUENCES OF BOND ELECTION

Sec. 1251.051. USE OF PROCEEDS. A county, municipality, or other political subdivision of this state may use the proceeds of bonds, the issuance of which is approved at an election, only for the purpose or purposes stated in the proposition approved at the election.

SECTION 3. Section 1251.051, Government Code, as added by this Act, applies only to the proceeds of bonds obligated and used on or after September 1, 2005. Bond proceeds obligated or used before September 1, 2005, are governed by the law in effect at the time the proceeds were obligated or used, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2005.