

By: Farabee

H.B. No. 1768

A BILL TO BE ENTITLED

AN ACT

relating to the powers of a community center.

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

SECTION 1. Section 534.022, Health and Safety Code, is amended by amending Subsections (a) and (b) and adding Subsections (a-1) and (f) to read as follows:

(a) To acquire or to refinance the acquisition of real and personal property, ~~or~~ to construct improvements to property, or to finance all or part of a payment owed or to be owed on a credit agreement, a community center may contract in accordance with Subchapter A, Chapter 271, Local Government Code, or issue, execute, refinance, or refund bonds, notes, obligations, or contracts. The community center may secure the payment of the bonds, notes, obligations, or contracts with a security interest in or pledge of its revenues~~[, receivables, contract rights, or accounts]~~ or by granting a mortgage on any of its properties.

(a-1) For purposes of Subsection (a), "revenues" includes the following, as those terms are defined by Section 9.102, Business & Commerce Code:

(1) an account;

(2) a chattel paper;

(3) a commercial tort claim;

(4) a deposit account;

(5) a document;

- 1 (6) a general intangible;
- 2 (7) a health care insurance receivable;
- 3 (8) an instrument;
- 4 (9) investment property;
- 5 (10) a letter-of-credit right; and
- 6 (11) proceeds.

7 (b) Except as provided by Subsection (f), the [The]
8 community center shall issue the bonds, [or] notes, or obligations
9 in accordance with Chapters 1201 and 1371, Government Code. The
10 attorney general must approve before issuance:

11 (1) notes issued in the form of public securities, as
12 that term is defined by Section 1201.002, Government Code;

13 (2) obligations, as that term is defined by Section
14 1371.001, Government Code; and

15 (3) [the] bonds [before issuance].

16 (f) The board of trustees of a community center may
17 authorize the issuance of an anticipation note in the same manner,
18 using the same procedure, and with the same rights under which an
19 eligible school district may authorize issuance under Chapter 1431,
20 Government Code, except that anticipation notes issued for the
21 purposes described by Section 1431.004(a)(2), Government Code, may
22 not, in the fiscal year in which the attorney general approves the
23 notes for a community center, exceed 50 percent of the revenue
24 anticipated to be collected in that year.

25 SECTION 2. This Act takes effect September 1, 2005.