

By: Villarreal

H.B. No. 3937

A BILL TO BE ENTITLED

AN ACT

relating to the authority of certain counties to issue short-term bonds.

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

SECTION 1. Chapter 1301, Government Code, is amended by adding Section 1301.005 to read as follows:

Sec. 1301.005. SHORT-TERM BONDS ISSUED BY CERTAIN COUNTIES.

(a) The commissioners court of a county with a population of more than one million and in which more than 80 percent of the population resides in a single municipality by resolution may issue short-term bonds that are secured by revenue or taxes of the county that:

(1) have a term of not more than 12 months; and

(2) are payable only from revenue or taxes received on or after the date of their issuance and before the end of the fiscal year following the fiscal year in which the bonds are issued.

(b) Approval by the attorney general or registration with the comptroller is not required for a bond issued under this section.

(c) An election is not required to issue bonds under this section.

SECTION 2. This Act takes effect September 1, 2009.