

BILL ANALYSIS

H.B. 782
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Urban Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently a municipality or Type B corporation is not required to obtain an independent appraisal of a property's market value prior to purchasing the property with bond proceeds. Concerns have been expressed that the price of property acquired with public funds is not being monitored. H.B. 782 attempts to address these concerns by prohibiting a municipality or a Type B corporation from purchasing a property with funds generated from bond proceeds unless an independent appraisal of the property's market value has been obtained.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 782 amends the Government Code and the Local Government Code to prohibit a municipality or Type B corporation, as applicable, from issuing bonds the proceeds of which are intended to be used wholly or partly to purchase property until the entity obtains an independent appraisal of the property's market value.

EFFECTIVE DATE

September 1, 2011.