

1-1 By: Davis of Dallas (Senate Sponsor - Wentworth) H.B. No. 782
1-2 (In the Senate - Received from the House April 27, 2011;
1-3 May 2, 2011, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 19, 2011, reported favorably by
1-5 the following vote: Yeas 5, Nays 0; May 19, 2011, sent to
1-6 printer.)

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to a requirement that certain bond issuers obtain an
1-10 appraisal of property that is to be purchased with bond proceeds.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subchapter C, Chapter 252, Local Government
1-13 Code, is amended by adding Section 252.051 to read as follows:

1-14 Sec. 252.051. APPRAISAL REQUIRED BEFORE PURCHASE OF
1-15 PROPERTY WITH BOND PROCEEDS. A municipality may not purchase
1-16 property wholly or partly with bond proceeds until the municipality
1-17 obtains an independent appraisal of the property's market value.

1-18 SECTION 2. Subchapter C, Chapter 505, Local Government
1-19 Code, is amended by adding Section 505.1041 to read as follows:

1-20 Sec. 505.1041. APPRAISAL REQUIRED BEFORE PURCHASE OF
1-21 PROPERTY WITH BOND PROCEEDS. A Type B corporation may not purchase
1-22 property for a project wholly or partly with bond proceeds until the
1-23 corporation obtains an independent appraisal of the property's
1-24 market value.

1-25 SECTION 3. The changes in law made by Sections 252.051 and
1-26 505.1041, Local Government Code, as added by this Act, apply only to
1-27 the purchase of property on or after the effective date of this Act.
1-28 The purchase of property before the effective date of this Act is
1-29 governed by the law in effect when the property was purchased, and
1-30 the former law is continued in effect for that purpose.

1-31 SECTION 4. This Act takes effect September 1, 2011.

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