

By: Hancock

H.B. No. 3162

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of school district bonds under programs providing state financial assistance for instructional facilities and related debt.

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

SECTION 1. Section 46.003(e), Education Code, is amended to read as follows:

(e) Bonds are eligible to be paid with state and local funds under this section if:

(1) taxes to pay the principal of and interest on the bonds were first levied in the 1997-1998 school year or a later school year; and

(2) the bonds do not have a weighted average maturity of less than eight years or more than 30 years.

SECTION 2. Section 46.033, Education Code, is amended to read as follows:

Sec. 46.033. ELIGIBLE BONDS. Bonds, including bonds issued under Section 45.006, are eligible to be paid with state and local funds under this subchapter if:

(1) the district made payments on the bonds during the final school year of the preceding state fiscal biennium or taxes levied to pay the principal of and interest on the bonds were included in the district's audited debt service collections for that school year; ~~and~~

(2) the district does not receive state assistance under Subchapter A for payment of the principal and interest on the bonds; and

(3) the bonds have a maturity of not more than 30 years.

SECTION 3. Sections 46.003(e) and 46.033, Education Code, as amended by this Act, apply only to a bond issued by a school district on or after the effective date of this Act. A bond issued by a school district before the effective date of this Act is governed by the law in effect on the date the bond is issued, and the former law is continued in effect for that purpose.

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