

By: Larson, Fallon

H.B. No. 156

A BILL TO BE ENTITLED

AN ACT

relating to the use of proceeds of bonds sold and delivered by a home-rule municipality for a specific purpose.

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

SECTION 1. Section 1332.001, Government Code, is amended to read as follows:

Sec. 1332.001. USE OF UNSPENT BOND PROCEEDS FOR OTHER PURPOSES. (a) The governing body of a municipality other than a home-rule municipality may use the proceeds of municipal bonds that have been sold and delivered for a specific purpose for a purpose other than the specific purpose if:

(1) the specific purpose is accomplished by other means or is abandoned;

(2) the proceeds are unspent; and

(3) a majority of the votes cast in an election held in the municipality approve the use of the proceeds for the proposed purpose.

(b) The governing body of a home-rule municipality may use the unspent proceeds of municipal bonds that have been sold and delivered for a specific purpose only for the specific purpose, including retiring the outstanding bonds.

SECTION 2. The change in law made by this Act applies only to municipal bonds authorized after the effective date of this Act. Municipal bonds authorized before the effective date of this Act

1 are governed by the law in effect on the date the bonds were
2 authorized, and the former law is continued in effect for that
3 purpose.

4 SECTION 3. This Act takes effect September 1, 2015.