

## **BILL ANALYSIS**

H.B. 532  
By: Schofield  
Investments & Financial Services  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties are concerned that certain governmental entities with the ability to issue bonds or obligations may not be able to repay such debt before its maturity date. H.B. 532 seeks to control local debt in Texas by prohibiting a political subdivision from issuing a public security to purchase or lease tangible personal property if the expected useful life of the property ends before the maturity date of the public security.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **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. 532 amends the Government Code to prohibit a political subdivision from issuing a public security to purchase or lease tangible personal property if the expected useful life of the property ends before the maturity date of the public security.

### **EFFECTIVE DATE**

September 1, 2017.