

By: Wray

H.B. No. 709

A BILL TO BE ENTITLED

AN ACT

relating to the use of private activity bonds to finance high-speed rail service.

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

SECTION 1. Subchapter A, Chapter 1372, Government Code, is amended by adding Section 1372.007 to read as follows:

Sec. 1372.007. PROHIBITED USE OF BONDS: HIGH-SPEED RAIL. Notwithstanding any other provision of this chapter, private activity bonds may not be issued to finance, wholly or partly, the construction of facilities for or the operation of high-speed rail service between two municipalities in this state that is capable of operating at speeds greater than 100 miles per hour.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.