

By: Middleton

H.B. No. 4408

A BILL TO BE ENTITLED

AN ACT

relating to the authority of a political subdivision to issue public securities for certain purposes.

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

SECTION 1. Subtitle C, Title 9, Government Code, is amended by adding Chapter 1253 to read as follows:

CHAPTER 1253. LIMITATION ON AUTHORITY TO ISSUE SECURITIES FOR CERTAIN PURPOSES

Sec. 1253.001. DEFINITIONS. In this chapter:

(1) "Political subdivision" means a county, municipality, school district, junior college district, other special district, or other subdivision of state government.

(2) "Public security" has the meaning assigned by Section 1201.002.

Sec. 1253.002. LIMITATION ON AUTHORITY TO ISSUE SECURITY FOR PURPOSE PREVIOUSLY REJECTED BY VOTERS. A political subdivision may not issue a public security for the same purpose that was submitted by the political subdivision to the voters in a bond proposition to authorize the issuance of bonds during the preceding five years and failed to be approved.

SECTION 2. The change in law made by this Act applies only to the issuance of a public security, as that term is defined by Section 1201.002, Government Code, on or after the effective date of this Act.

1 SECTION 3. This Act takes effect September 1, 2019.