By:  Alvarado S.B. No. 1451

(In the Senate - Filed March 10, 2021; March 24, 2021, read first time and referred to Committee on Business & Commerce; May 10, 2021, reported adversely, with favorable Committee Substitute by the following vote: Yeas 7, Nays 0; May 10, 2021, sent to printer.)

COMMITTEE VOTE

                    Yea Nay Absent  PNV

Hancock              X

Nichols              X

Campbell             X

Creighton                      X

Johnson              X

Menéndez             X

Paxton                         X

Schwertner           X

Whitmire             X

COMMITTEE SUBSTITUTE FOR S.B. No. 1451 By:  Hancock

A BILL TO BE ENTITLED

AN ACT

relating to the definition of "closing" for purposes of certain private activity bonds.

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

SECTION 1.  Section 1372.001(3), Government Code, is amended to read as follows:

(3)  "Closing" means the [~~issuance and~~] delivery of a bond by an issuer in exchange for the required payment for the bond. The term includes, for a qualified residential rental project bond, delivery of a bond in exchange for a partial payment for the incremental funding of the bond in accordance with the terms of the bond, provided that the partial payment is not less than 10 percent of the required payment for the bond. The term does not include a delivery of a bond if expenditure of the proceeds of the bond is conditioned on obtaining credit enhancement in support of the bond.

SECTION 2.  This Act takes effect September 1, 2021.

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