

By: Alvarado

S.B. No. 1451

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the definition of "closing" for purposes of certain
3 private activity bonds.

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

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

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

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