

BILL ANALYSIS

Senate Research Center

H.B. 782
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Intergovernmental Relations
5/4/2011
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 782 amends current law relating to a requirement that certain bond issuers obtain an appraisal of property that is to be purchased with bond proceeds.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter C, Chapter 252, Local Government Code, by adding Section 252.051, as follows:

Sec. 252.051. APPRAISAL REQUIRED BEFORE PURCHASE OF PROPERTY WITH BOND PROCEEDS. Prohibits a municipality from purchasing property wholly or partly with bond proceeds until the municipality obtains an independent appraisal of the property's market value.

SECTION 2. Amends Subchapter C, Chapter 505, Local Government Code, by adding Section 505.1041, as follows:

Sec. 505.1041. APPRAISAL REQUIRED BEFORE PURCHASE OF PROPERTY WITH BOND PROCEEDS. Prohibits a Type B corporation from purchasing property for a project wholly or partly with bond proceeds until the corporation obtains an independent appraisal of the property's market value.

SECTION 3. Makes application to the changes in law made by Sections 252.051 and 505.1041, Local Government Code, prospective.

SECTION 4. Effective date: September 1, 2011.