

GOVERNMENT CODE

CHAPTER 1432. BONDS FOR LOCAL GOVERNMENT SPORTS CENTERS

Sec. 1432.001. APPLICABILITY OF CHAPTER. (a) This chapter applies only to a local government that has all or most of its territory located in a county with a population of more than 1.3 million.

(b) Two or more local governments may act jointly under this chapter if:

(1) each local government is individually authorized to act under this chapter;

(2) all or most of the territory of each local government is located in the same county or in adjacent counties; and

(3) the local governments act jointly to perform each official act.

(c) Local governments acting jointly may perform any act that a single local government may perform under this chapter.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2001, 77th Leg., ch. 669, Sec. 24, eff. Sept. 1, 2001.

Sec. 1432.002. DEFINITIONS. In this chapter:

(1) "Bond authorization" means an ordinance of the governing body of a municipality, a resolution of the board of trustees of an independent school district, or an order of the commissioners court of a county that authorizes the issuance of bonds.

(2) "Local government" means a county, a municipality, or an independent school district.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.003. AUTHORITY FOR SPORTS CENTERS. (a) A local government may construct, acquire, lease, improve, enlarge, and operate one or more facilities used for sporting activities or events, including auxiliary facilities such as parking areas or restaurants.

(b) A local government may contract with any public or private entity, including a coliseum advisory board or similar body, to perform any function authorized under this chapter other than an official governmental act that must be performed by the governing body of a local government.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.004. AUTHORITY TO ISSUE REVENUE BONDS. The governing body of a local government may issue revenue bonds for a purpose authorized by Section 1432.003.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.005. PLEDGE OF REVENUE. A local government may pledge all or part of the revenue, income, or receipts from a facility authorized by this chapter to the payment of bonds, including principal, interest, and any other amounts required or permitted in connection with the bonds.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.006. ADDITIONAL SECURITY. (a) Bonds issued under this chapter may be additionally secured by:

(1) an encumbrance on any real property relating to a facility authorized by this chapter owned or to be acquired by the local government;

(2) an encumbrance on any personal property appurtenant to that real property; or

(3) a pledge of any portion of any grant, donation, revenue, or income received or to be received from the United States or any other public or private source.

(b) The governing body of the local government may authorize the execution of a trust indenture, mortgage, deed of trust, or other instrument as evidence of the encumbrance.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.007. BONDS NOT PAYABLE FROM TAXES. A holder of a bond issued under this chapter is not entitled to demand payment of the bond from money raised by taxation.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.008. MATURITY. A bond issued under this chapter must mature not later than 40 years after its date.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.009. ADDITIONAL BONDS. The bond authorization may provide for the subsequent issuance of additional parity bonds or subordinate lien bonds under terms specified in the authorization.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.010. SALE OF BONDS. A local government may sell bonds issued under this chapter in the manner and under the terms provided by the bond authorization.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.011. REVIEW AND APPROVAL OF CONTRACTS RELATING TO BONDS. (a) If bonds issued under this chapter state that they are secured by a pledge of revenue or rents from a contract, including a lease contract, a copy of the contract and the proceedings related to it must be submitted to the attorney general.

(b) If the attorney general finds that the bonds have been authorized and the contract has been made in accordance with law, the attorney general shall approve the contract.

(c) After the bonds are approved and registered as provided by Chapter 1202 and the contract is approved under Subsection (b), the contract is incontestable in a court or other forum for any reason and is a valid and binding obligation for all purposes in accordance with its terms.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.012. CHARGES. (a) The governing body of a local government may impose and collect charges for the use or availability of a facility authorized by this chapter.

(b) A local government shall impose and collect pledged charges in an amount that will be at least sufficient, with any other pledged resources, to provide for the payment of:

(1) the principal of, interest on, and any other amounts required in connection with the bonds; and

(2) to the extent required by the bond authorization:  
(A) expenses incurred in connection with the bonds; and

(B) operation, maintenance, and other expenses incurred in connection with the facility.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.013. REFUNDING BONDS. (a) A local government may refund or otherwise refinance bonds issued under this chapter by issuing refunding bonds under any terms provided by a bond authorization.

(b) All appropriate provisions of this chapter apply to the refunding bonds. The refunding bonds shall be issued in the manner provided by this chapter for other bonds.

(c) The refunding bonds may be sold and delivered in amounts sufficient to pay the principal of and interest and any redemption premium on the bonds to be refunded, at maturity or on any redemption date.

(d) The refunding bonds may be issued to be exchanged for the bonds to be refunded by them. In that case, the comptroller shall register the refunding bonds and deliver them to the holder of the bonds to be refunded as provided by the bond authorization. The exchange may be made in one delivery or in installment deliveries.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.014. PUBLIC PURPOSE. The acquisition, construction, improvement, enlargement, equipment, operation, and maintenance of a facility authorized by this chapter is a public purpose and a proper function of a local government.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.

Sec. 1432.015. CONFLICT OR INCONSISTENCY WITH OTHER LAW. When bonds are issued under this subchapter, to the extent of any conflict or inconsistency between this chapter and another law, this chapter controls.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 1, eff. Sept. 1, 1999.