

CHAPTER 1011

H.B. No. 1745

AN ACT

relating to the financing and use of certain property by a municipality or county.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 3, Chapter 508, Acts of the 71st Legislature, Regular Session, 1989 (Article 1182n, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 3. FINANCING OF PERMANENT IMPROVEMENTS BY AN ELIGIBLE COUNTY OR AN ELIGIBLE MUNICIPALITY. (a) An eligible county or an eligible municipality may issue negotiable bonds, *certificates of obligation*, or *both* for the purpose of acquiring, constructing, and improving land, buildings, or other permanent improvements for use by an institution of higher education located within an eligible county, and may assess, levy, and collect ad valorem taxes to pay the principal of and interest on those bonds or *certificates of obligation* and to provide a sinking fund.

(b) The issuance of the bonds and the levy of the taxes shall be in accordance with Chapter 1, Title 22, Revised Statutes. *The issuance of certificates of obligation and the levy of taxes to pay the principal of and interest on those certificates of obligation shall be in accordance with Chapter 271, Local Government Code.*

(c) There is no limit on the amount of taxes that may be levied for the payment of the principal of and interest on the bonds or *certificates of obligation* except for the limits provided by the Texas Constitution.

(d) *An eligible municipality may allow a state four-year institution of higher education or system to use land or buildings acquired by the eligible municipality. This does not apply to a higher educational institution that is supported in any way by a local tax base. This use is a municipal purpose and a public use for the eligible municipality.*

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on April 23, 1993: Yeas 131, Nays 0, 2 present, not voting; passed by the Senate on May 22, 1993: Yeas 31, Nays 0.

Approved June 19, 1993.

Effective June 19, 1993.