

## CHAPTER 523

## S.B. No. 1272

## AN ACT

relating to the allocation and reservation system for private activity bonds and to the definition of certain bonds.

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

SECTION 1. Subsection (e), Section 2, Chapter 1092, Acts of the 70th Legislature, Regular Session, 1987 (Article 5190.9a, Vernon's Texas Civil Statutes), is amended to read as follows:

(e) Notwithstanding the provisions of Subsection (f) of this section, if qualified mortgage bonds or qualified small issue bonds *do not* ~~[no longer]~~ *qualify on January 2 of any year* for treatment as tax-exempt obligations under the provisions of the code, then the provisions of Subsection (b)(1) or (3) of this section, or both, as applicable, shall be *of no effect for such year* ~~[null and void]~~, and the portion of the state ceiling that is available exclusively for reservations by issuers of qualified mortgage bonds or qualified small issue bonds, or both, as applicable, shall be reallocated proportionately by March 1 for reservations by each other category of issuers under Subsection (b) of this section.

SECTION 2. Subdivision (14), Section 1, Chapter 1092, Acts of the 70th Legislature, Regular Session, 1987 (Article 5190.9a, Vernon's Texas Civil Statutes), is amended to read as follows:

(14) "Qualified small issue bond" has the meaning given that term under Section 144(a) of the code, *and, additionally, shall mean any bond authorized under the code subsequent to March 1, 1993, for economic development purposes, which requires an allocation of state ceiling.*

SECTION 3. 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 the Senate on April 7, 1993: Yeas 29, Nays 0; passed the House on May 22, 1993, by a non-record vote.

Approved June 8, 1993.

Effective Aug. 30, 1993, 90 days after date of adjournment.