

1                                    AN ACT  
2 relating to certain public facilities financed, owned, and operated  
3 by a public facility corporation.

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

5            SECTION 1. Section 303.021, Local Government Code, is  
6 amended by adding Subsection (c) to read as follows:

7            (c) This chapter expressly authorizes a sponsor to which  
8 Section 303.042(d) does not apply to create a corporation to  
9 finance, own, and operate a multifamily residential development  
10 that meets the requirements of Section 303.042(d-1).

11           SECTION 2. Section 303.042, Local Government Code, is  
12 amended by adding Subsections (d-1) and (g) to read as follows:

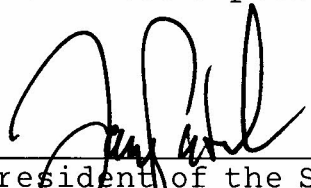
13           (d-1) An exemption under this section for a multifamily  
14 residential development that is owned by a corporation created  
15 under this chapter and that is not otherwise described by  
16 Subsection (d) applies only if the development meets the  
17 requirements of Subsection (d)(2) or accomplishes a governmental  
18 purpose of the sponsor.


19           (g) For purposes of Subsections (a) and (b), if a  
20 corporation created under this chapter owns a multifamily  
21 residential development described by Subsection (d-1), the sponsor  
22 of the corporation is considered the user of the public facility.

23           SECTION 3. This Act takes effect immediately if it receives  
24 a vote of two-thirds of all the members elected to each house, as

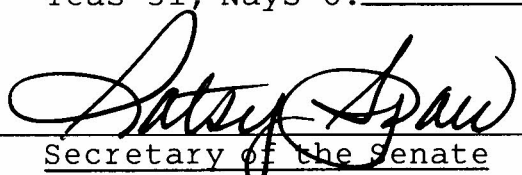
S.B. No. 1861

1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2019.\_\_\_\_\_

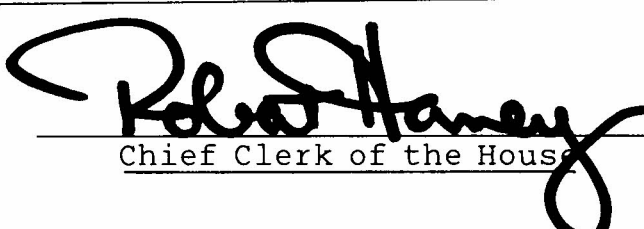
  
\_\_\_\_\_  
President of the Senate

  
\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1861 passed the Senate on  
April 17, 2019, by the following vote: Yeas 31, Nays 0.\_\_\_\_\_

  
\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1861 passed the House on  
May 21, 2019, by the following vote: Yeas 101, Nays 44, one  
present not voting.\_\_\_\_\_

  
\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
4:45 pm O'CLOCK

JUN 15 2019  
  
\_\_\_\_\_  
Secretary of State

**PROCLAMATION**  
BY THE  
**Governor of the State of Texas**  
**41-3679**

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TO ALL TO WHOM THESE PRESENTS SHALL COME:

Pursuant to Article IV, Section 14, of the Texas Constitution, I, Greg Abbott, Governor of Texas, do hereby disapprove of and veto Senate Bill No. 1861 as passed by the Eighty-Sixth Texas Legislature, Regular Session, because of the following objections:

Public facility corporations are a way for government entities to get in the business of affordable housing and issue conduit debt. To the extent Senate Bill 1861 would encourage taxing entities, including school districts and community colleges, to engage in activities that are outside of their core missions, it would distract those entities from improving student outcomes. Schools and community colleges should focus on educating students, and House Bill 3 provides the necessary resources to accomplish that goal.

Since the Eighty-Sixth Texas Legislature, Regular Session, by its adjournment has prevented the return of this bill, I am filing these objections in the office of the Secretary of State and giving notice thereof by this public proclamation according to the aforementioned constitutional provision.



IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 15th day of June, 2019.

A handwritten signature in black ink that reads "Greg Abbott".

GREG ABBOTT  
Governor of Texas

ATTESTED BY:

A handwritten signature in black ink that reads "Joe Esparza".

JOE ESPARZA  
Deputy Secretary of State

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
4:45pm O'CLOCK

JUN 15 2019