(b) District bonds may secure deposits of public funds of the state or a municipality, county, school district, or other political subdivision of this state. The bonds are lawful and sufficient security for deposits to the extent of the bonds’ value if accompanied by all unmatured coupons.

(c) District bonds are authorized investments under Chapter 2256, Government Code.

Sec. 772.531. EXEMPTION FROM TAXATION. A bond issued by the district under this subchapter, any transaction relating to the bond, and profits made in the sale or redemption of the bond are exempt from taxation by the state or by any municipality, county, special district, or other political subdivision of this state.

Sec. 772.532. TRANSFER OF ASSETS. If a regional emergency communications district is established under this subchapter, the regional planning commission for the region in which the district is established may transfer to the district any land, buildings, improvements, equipment, and other assets acquired by the regional planning commission in relation to the provision of 9-1-1 service.

SECTION 2. Subdivision (3), Section 771.001, Health and Safety Code, is amended to read as follows:

(3) “Emergency communication district” means:

(A) a public agency or group of public agencies acting jointly that provided 9-1-1 service before September 1, 1987, or that had voted or contracted before that date to provide that service; or

(B) a district created under Subchapter B, C, D, [or] F, or G, Chapter 772.

SECTION 3. This Act takes effect September 1, 2013.

Passed the Senate on May 7, 2013: Yeas 28, Nays 1; passed the House on May 21, 2013: Yeas 104, Nays 41, three present not voting.

Approved June 14, 2013.

Effective September 1, 2013.

CHAPTER 553

S.B. No. 631

AN ACT

relating to certain statutory insurance deposit requirements.

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

SECTION 1. Subsections (d) and (f), Section 406.006, Insurance Code, are amended to read as follows:

(d) The commissioner shall issue a letter approving or an order [approving or] denying an application under this section not later than the 30th day after the date the department receives the application. If the commissioner does not approve or deny the application within that period, the application is denied.

(f) The comptroller may not release a deposit made under this chapter, or any part of the deposit, and may not accept a substitute for a deposited security unless the commissioner issues a letter [an order] approving the withdrawal or substitution.

SECTION 2. The changes in law made by this Act apply to an application for substitution or withdrawal of a deposit filed on or after the effective date of this Act. An application filed before the effective date of this Act is governed by the law applicable to the application immediately before that date, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.
CHAPTER 554

S.B. No. 637

AN ACT

relating to notice and election order requirements for bond approval elections held by political subdivisions.

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

SECTION 1. Chapter 3, Election Code, is amended by adding Section 3.009 to read as follows:

Sec. 3.009. CONTENTS OF DEBT OBLIGATION ELECTION ORDER. (a) In this section, "debt obligation" means an issued public security, as defined by Section 1201.002, Government Code, that is secured by ad valorem taxes.

(b) The document ordering an election to authorize a political subdivision to issue debt obligations must distinctly state:

(1) the proposition language that will appear on the ballot;
(2) the purpose for which the debt obligations are to be authorized;
(3) the principal amount of the debt obligations to be authorized;
(4) that taxes sufficient to pay the annual principal of and interest on the debt obligations may be imposed;
(5) a statement of the estimated tax rate if the debt obligations are authorized or of the maximum interest rate of the debt obligations or any series of the debt obligations, based on the market conditions at the time of the election order;
(6) the maximum maturity date of the debt obligations to be authorized or that the debt obligations may be issued to mature over a specified number of years not to exceed 40;
(7) the aggregate amount of the outstanding principal of the political subdivision's debt obligations as of the beginning of the political subdivision's fiscal year in which the election is ordered;
(8) the aggregate amount of the outstanding interest on debt obligations of the political subdivision as of the beginning of the political subdivision's fiscal year in which the election is ordered;
(9) the ad valorem debt service tax rate for the political subdivision at the time the election is ordered, expressed as an amount per $100 valuation of taxable property.

SECTION 2. Section 4.003, Election Code, is amended by adding Subsection (f) to read as follows:

(f) A debt obligation election order required under Section 3.009 shall be posted:

(1) on election day and during early voting by personal appearance, in a prominent location at each polling place;
(2) not later than the 21st day before the election, in three public places in the boundaries of the political subdivision holding the election; and
(3) during the 21 days before the election, on the political subdivision's Internet website, prominently and together with the notice of the election and the contents of the proposition, if the political subdivision maintains an Internet website.

SECTION 3. The changes in law made by this Act apply only to an election ordered on or after the effective date of this Act. An election ordered before the effective date of this Act is