GOV'T CODE CHAPTER 1205 (EXPEDITED DECLARATORY JUDGMENTS ACT): SUMMARY AND NOTABLE PROVISIONS

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WHAT IS A CHAPTER 1205 SUIT?

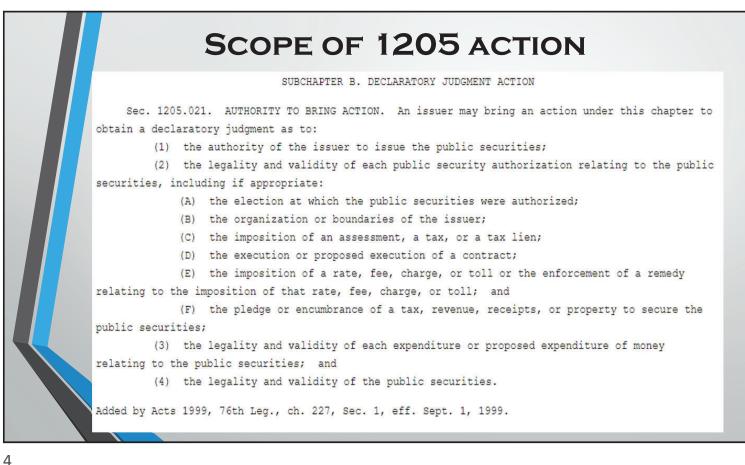
- AN EXPEDITED DECLARATORY JUDGEMENT SUIT (TRIAL SET ON THE FIRST MONDAY AFTER 20 DAYS OF DATE OF PUBLIC NOTICE);
- ADJUDICATING CERTAIN MATTERS RELATED TO LEGALITY AND VALIDITY OF PUBLIC SECURITIES (E.G, GOVERNMENT BONDS) AND CERTAIN ACTIONS RELATED TO SAME;
- CITATION BY PUBLICATION, PROVIDING NOTICE TO A BROAD CLASS OF PARTIES;

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WHAT IS A CHAPTER 1205 SUIT?

- FUNCTIONS AS BOTH AN IN REM AND CLASS ACTION **PROCEEDING BINDING AS TO ALL OF THOSE PARTIES;**
- MAY REQUIRE POSTING OF SECURITY BY A PARTY OPPOSING THE RELIEF SOUGHT;
- FINAL JUDGEMENT AS TO ALL MATTERS RAISED/COULD HAVE BEEN RAISED AGAINST ALL CLASSES OF PARTIES, AND INJUNCTION AGAINST BRINGING ANY FURTHER SUIT CONTESTING SUBJECT MATTER OF JUDGEMENT:

WITH LIMITED, ACCELERATED APPEALS ALLOWED.



SCOPE OF 1205 ACTION

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1205.001. DEFINITIONS. In this chapter:

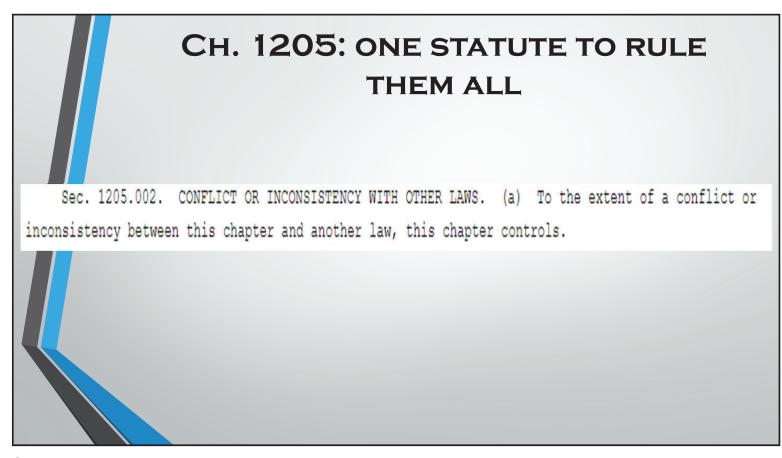
(1) "Issuer" means an agency, authority, board, body politic, commission, department, district, instrumentality, municipality or other political subdivision, or public corporation of this state. The term includes a state-supported institution of higher education and any other type of political or governmental entity of this state.

(2) "Public security" means an interest-bearing obligation, including a bond, bond anticipation note, certificate, note, warrant, or other evidence of indebtedness, regardless of whether the obligation is:

- (A) general or special;
- (B) negotiable;
- (C) in bearer or registered form;
- (D) in temporary or permanent form;
- (E) issued with interest coupons; or
- (F) to be repaid from taxes, revenue, both taxes and revenue, or in another manner.

(3) "Public security authorization" means an action or proceeding by an issuer taken, made, or proposed to be taken or made in connection with or affecting a public security.

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



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