

1-1 By: Carona S.B. No. 1375  
1-2 (In the Senate - Filed March 7, 2007; March 20, 2007, read  
1-3 first time and referred to Committee on Transportation and Homeland  
1-4 Security; April 2, 2007, reported favorably by the following vote:  
1-5 Yeas 8, Nays 0; April 2, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the issuance of commercial paper notes by certain  
1-9 regional transportation authorities.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 452.352, Transportation Code, is amended  
1-12 by amending Subsection (d) and adding Subsection (e) to read as  
1-13 follows:

1-14 (d) Subsection (b) does not apply to:

1-15 (1) refunding bonds; [~~or~~]

1-16 (2) bonds described by Subsection (a)(2); or

1-17 (3) commercial paper notes having maturities of 270  
1-18 days or less that are authorized to be issued and reissued from time  
1-19 to time under a commercial paper program in a maximum principal  
1-20 amount that the chief financial officer certifies, based on  
1-21 reasonable estimates of pledged sales and use tax revenue, can be  
1-22 repaid in full within five years after the date of authorization of  
1-23 the commercial paper program, taking into consideration any other  
1-24 bonds or notes having a prior or parity lien on the pledged revenue,  
1-25 regardless of the final date of the commercial paper program.

1-26 (e) A commercial paper program described by Subsection  
1-27 (d)(3) may not be continued beyond five years unless, before  
1-28 issuing any note with a maturity exceeding five years from the date  
1-29 of the initial authorization of the program or five years from the  
1-30 date of any new certification, the chief financial officer provides  
1-31 a new certification that the maximum principal amount of the  
1-32 program, based on reasonable estimates of pledged sales and use tax  
1-33 revenue, can be repaid in full within five years after the date of  
1-34 the most recent new certification, taking into consideration any  
1-35 other bonds or notes having a prior or parity lien on the pledged  
1-36 revenue.

1-37 SECTION 2. This Act takes effect September 1, 2007.

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