

By: Duncan

S.B. No. 1844

A BILL TO BE ENTITLED

AN ACT

relating to allowing an issuer of certificates of obligation to delegate the authority to effect the sale of the certificates.

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

SECTION 1. Subchapter C, Chapter 271, Local Government Code, is amended by adding Section 271.0471 to read as follows:

Sec. 271.0471. DELEGATION OF AUTHORITY. (a) In connection with the authorization of the issuance of certificates, the governing body of an issuer may:

(1) authorize the maximum principal amount of certificates that may be issued and the maximum rate of interest to be borne by the certificates;

(2) recite the purposes for which the certificates are to be issued; and

(3) delegate to any officer or employee of the issuer the authority to effect the sale of the certificates.

(b) In exercising the authority delegated by the governing body under Subsection (a)(3), the officer or employee may establish the terms and other details related to the issuance and sale or exchange of the certificates, including:

(1) the form and designation of the certificates;

(2) the principal amount of the certificates;

(3) the dates, price, interest rates, interest payment dates, principal payment dates, and redemption features of the

1 certificates; and

2 (4) any other details relating to the issuance and
3 sale or exchange of the certificates as specified by the governing
4 body of the issuer in the proceedings authorizing the issuance of
5 the certificates.

6 (c) A finding or determination made by an officer or
7 employee acting under the authority delegated to the officer or
8 employee has the same force and effect as a finding or determination
9 made by the governing body of the issuer.

10 SECTION 2. This Act takes effect immediately if it receives
11 a vote of two-thirds of all the members elected to each house, as
12 provided by Section 39, Article III, Texas Constitution. If this
13 Act does not receive the vote necessary for immediate effect, this
14 Act takes effect September 1, 2007.