

By: Watson

S.B. No. 1657

A BILL TO BE ENTITLED

AN ACT

relating to approval of the issuance of Tax and Revenue  
Anticipation Notes.

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

SECTION 1. Section 404.121(4), Government Code, is amended  
to read as follows:

(4) "Tax and revenue anticipation notes" and "notes" mean  
notes issued under this section, including any commercial paper  
notes and any obligations under credit agreements entered into by  
the comptroller in connection with the issuance of the notes.

SECTION 2. Section 404.124, Government Code, is amended by  
amending Subsections (b) and (b-1) and adding Subsection (b-2) to  
read as follows:

(b) Based on the forecast and testimony provided at the  
hearing required by Subsection (a), the committee may approve the  
issuance of notes, subject to Subsections (b-1), (b-2) and (c), and  
the maximum outstanding balance of notes in any fiscal year. The  
outstanding balance may not exceed the maximum temporary cash  
shortfall forecast by the comptroller for any period in the fiscal  
year. The comptroller may not issue notes in excess of the amount  
approved.

(b-1) Except as provided in Subsection (b-2), the ~~[The]~~  
committee's approval of the issuance of notes granted under  
Subsection (b) expires on the 91st day after the date the hearing

1 conducted under Subsection (a) concludes. The comptroller may not  
2 issue notes on or after the 91st day unless the comptroller submits  
3 another general revenue cash flow shortfall forecast to the  
4 committee and the committee subsequently grants approval for the  
5 issuance of the notes in accordance with the procedure required by  
6 Subsections (a) and (b). Each subsequent approval expires on the  
7 91st [~~61st~~] day after the date the hearing on which the approval was  
8 based concludes.

9 (b-2) The committee's approval of the issuance of  
10 commercial paper notes expires on the last day of the fiscal year  
11 for which the tax and revenue anticipation notes are approved,  
12 providing for the issuance and rollover of commercial paper notes  
13 during that fiscal year. All commercial paper notes must mature and  
14 be paid in full in accordance with Section 404.123(d).

15 SECTION 3. This Act takes effect immediately if it receives  
16 a vote of two-thirds of all the members elected to each house, as  
17 provided by Section 39, Article III, Texas Constitution. If this  
18 Act does not receive the vote necessary for immediate effect, this  
19 Act takes effect September 1, 2015.