

By: Campbell, et al.

S.B. No. 652

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to procedures and requirements for the issuance of  
3 certificates of obligation.

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

5 SECTION 1. Section 271.047(d), Local Government Code, is  
6 amended to read as follows:

7 (d) Except as provided by this subsection, the governing  
8 body of an issuer may not authorize a certificate to pay a  
9 contractual obligation to be incurred if a bond proposition to  
10 authorize the issuance of bonds for the same purpose was submitted  
11 to the voters during the preceding six [~~three~~] years and failed to  
12 be approved. A governing body may authorize a certificate that the  
13 governing body is otherwise prohibited from authorizing under this  
14 subsection:

15 (1) in a case described by Sections 271.056(1)-(3);  
16 and

17 (2) to comply with a state or federal law, rule, or  
18 regulation if the political subdivision has been officially  
19 notified of noncompliance with the law, rule, or regulation.

20 SECTION 2. Section 271.049, Local Government Code, is  
21 amended by amending Subsection (a) and adding Subsection (e) to  
22 read as follows:

23 (a) Regardless of the sources of payment of certificates,  
24 certificates may not be issued unless the issuer publishes notice

1 of its intention to issue the certificates. The notice must be  
2 published:

3 (1) once a week for two consecutive weeks in a  
4 newspaper, as defined by Subchapter C, Chapter 2051, Government  
5 Code, that is of general circulation in the area of the issuer, with  
6 the date of the first publication to be before the 30th day before  
7 the date tentatively set for the passage of the order or ordinance  
8 authorizing the issuance of the certificates; and

9 (2) continuously on the issuer's Internet website for  
10 at least 30 days before the date tentatively set for the passage of  
11 the order or ordinance authorizing the issuance of the  
12 certificates.

13 (e) An issuer shall maintain an Internet website to comply  
14 with this section.

15 SECTION 3. Section 271.049, Local Government Code, as  
16 amended by this Act, applies only to a certificate of obligation for  
17 which the first notice of intention to issue the certificate is made  
18 on or after the effective date of this Act. A certificate of  
19 obligation for which the first notice of intention to issue the  
20 certificate is made before the effective date of this Act is  
21 governed by the law in effect on the date the notice of intention is  
22 made, and the former law is continued in effect for that purpose.

23 SECTION 4. This Act takes effect September 1, 2019.