

By: Tepper

H.B. No. 53

A BILL TO BE ENTITLED

AN ACT

relating to the issuance of anticipation notes and certificates of obligation by certain local governments.

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

SECTION 1. Section 1431.001(2), Government Code, is amended to read as follows:

(2) "Eligible countywide district" means a flood control district ~~[or a hospital district]~~ the boundaries of which are substantially coterminous with the boundaries of a county with a population of three million or more ~~[or a hospital district created in a county with a population of more than 1.2 million that was not included in the boundaries of a hospital district before September 1, 2003]~~.

SECTION 2. Sections 271.043(7) and (7-a), Local Government Code, are amended to read as follows:

(7) "Issuer" means a municipality or ~~[7]~~ county ~~[7 or hospital district established under Chapter 281, Health and Safety Code]~~.

(7-a) "Public work" ~~[for an issuer that is a municipality or county]~~.

~~[(A)]~~ means any of the following public improvements as authorized by law:

(A) ~~[(i) a street, road, highway, bridge, sidewalk, or parking structure]~~.

1 ~~[(ii)] a landfill;~~
2 (B) ~~[(iii) an airport,~~
3 ~~[(iv)] a utility system, water supply~~
4 project, water treatment plant, wastewater treatment plant, or
5 water or wastewater conveyance facility;
6 (C) ~~[(v) a wharf or dock,~~
7 ~~[(vi)] a flood control and drainage~~
8 project; or
9 (D) ~~[(vii) a public safety facility, including]~~
10 a police station, fire station, first responder training facility
11 ~~[emergency shelter]~~, jail, or juvenile detention facility~~;~~
12 ~~[(viii) a judicial facility,~~
13 ~~[(ix) an administrative office building~~
14 ~~housing the governmental functions of the municipality or county,~~
15 ~~[(x) an animal shelter,~~
16 ~~[(xi) a library, or~~
17 ~~[(xii) a park or recreation facility that~~
18 ~~is generally accessible to the public and is part of the municipal~~
19 ~~or county park system,~~
20 ~~[(B) means the rehabilitation, expansion,~~
21 ~~reconstruction, or maintenance of an existing stadium, arena, civic~~
22 ~~center, convention center, or coliseum that is owned and operated~~
23 ~~by the municipality or county or by an entity created to act on~~
24 ~~behalf of the municipality or county, and~~
25 ~~[(C) does not include:~~
26 ~~[(i) a facility for which more than 50~~
27 ~~percent of the average annual usage is or is intended to be for~~

~~professional or semi-professional sports,~~

~~[(ii) a new stadium, arena, civic center, convention center, or coliseum that is or is intended to be leased by a single for-profit tenant for more than 180 days in a single calendar year, or~~

~~[(iii) a hotel].~~

SECTION 3. Section 271.0461, Local Government Code, is amended to read as follows:

Sec. 271.0461. ADDITIONAL PURPOSE FOR CERTIFICATES: DEMOLITION OF DANGEROUS STRUCTURES ~~[OR RESTORATION OF HISTORIC STRUCTURES]~~. Certificates may be issued by any municipality for the payment of contractual obligations to be incurred in demolishing dangerous structures ~~[or restoring historic structures]~~ and may be sold for cash, subject to the restrictions and other conditions of Section 271.050.

SECTION 4. Section 271.047(c), Local Government Code, is amended to read as follows:

(c) A certificate may not mature over a period greater than 30 ~~[40]~~ years from the date of the certificate and may not bear interest at a rate greater than that allowed by Chapter 1204, Government Code.

SECTION 5. Section 271.049(c), Local Government Code, is amended to read as follows:

(c) If before the date tentatively set for the authorization of the issuance of the certificates or if before the authorization, the municipal secretary or clerk if the issuer is a municipality, or the county clerk if the issuer is a county, receives a petition

1 signed by at least two [~~five~~] percent of the registered [~~qualified~~]
2 voters of the issuer protesting the issuance of the certificates,
3 the issuer may not authorize the issuance of the certificates
4 unless the issuance is approved at an election ordered, held, and
5 conducted in the manner provided for bond elections under Chapter
6 1251, Government Code.

7 SECTION 6. Section 271.0525(c), Local Government Code, is
8 amended to read as follows:

9 (c) A petition to protest the issuance of refinancing
10 certificates under this section must be signed by at least two
11 percent of the registered [~~a number of qualified~~] voters of the
12 county [~~, residing in the county, equal to at least five percent of~~
13 ~~the number of votes cast in that county for governor in the most~~
14 ~~recent general election at which that office was filled)].~~

15 SECTION 7. Section 271.046, Local Government Code, is
16 repealed.

17 SECTION 8. The changes in law made by this Act apply only to
18 an anticipation note or certificate of obligation issued on or
19 after the effective date of this Act. An anticipation note or
20 certificate of obligation issued before the effective date of this
21 Act is governed by the law in effect on the date the note or
22 certificate was issued, and the former law is continued in effect
23 for that purpose.

24 SECTION 9. This Act takes effect on the 91st day after the
25 last day of the legislative session.