

1-1 By: Bettencourt S.B. No. 1024
1-2 (In the Senate - Filed January 30, 2025; February 24, 2025,
1-3 read first time and referred to Committee on Local Government;
1-4 March 17, 2025, reported favorably by the following vote: Yeas 6,
1-5 Nays 0; March 17, 2025, sent to printer.)

1-6 COMMITTEE VOTE

1-7		Yea	Nay	Absent	PNV
1-8	Bettencourt	X			
1-9	Middleton	X			
1-10	Cook	X			
1-11	Gutierrez			X	
1-12	Nichols	X			
1-13	Paxton	X			
1-14	West	X			

1-15 A BILL TO BE ENTITLED
1-16 AN ACT

1-17 relating to the issuance of certain anticipation notes and
1-18 certificates of obligation.

1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-20 SECTION 1. Section 1431.002, Government Code, is amended by
1-21 adding Subsection (d) to read as follows:

1-22 (d) Except as provided by this subsection, the governing
1-23 body of an issuer may not authorize an anticipation note to pay a
1-24 contractual obligation to be incurred if a bond proposition to
1-25 authorize the issuance of bonds for the same purpose was submitted
1-26 to the voters during the preceding five years and failed to be
1-27 approved. The governing body of an issuer may authorize an
1-28 anticipation note that the governing body is otherwise prohibited
1-29 from authorizing under this subsection:

1-30 (1) in a case described by Section 271.056(1), (2), or
1-31 (3), Local Government Code;

1-32 (2) to finance the cleanup, mitigation, or remediation
1-33 of a natural disaster;

1-34 (3) to comply with a federal court order; and

1-35 (4) to comply with a state or federal law, rule, or
1-36 regulation if the issuer has been officially notified of
1-37 noncompliance with the law, rule, or regulation.

1-38 SECTION 2. Section 1431.003(b), Government Code, is amended
1-39 to read as follows:

1-40 (b) Notwithstanding anything in this chapter to the
1-41 contrary and except as provided by Section 1431.002(d), the
1-42 governing body may exercise the authority granted to the governing
1-43 body of an issuer with regard to issuance of obligations under
1-44 Chapter 1371, except that the prohibition in that chapter on the
1-45 repayment of an obligation with ad valorem taxes does not apply to
1-46 an issuer exercising the authority granted by this section.

1-47 SECTION 3. Section 271.047(d), Local Government Code, is
1-48 amended to read as follows:

1-49 (d) Except as provided by this subsection, the governing
1-50 body of an issuer may not authorize a certificate to pay a
1-51 contractual obligation to be incurred if a bond proposition to
1-52 authorize the issuance of bonds for the same purpose was submitted
1-53 to the voters during the preceding five ~~three~~ years and failed to
1-54 be approved. A governing body may authorize a certificate that the
1-55 governing body is otherwise prohibited from authorizing under this
1-56 subsection:

1-57 (1) in a case described by Section 271.056(1), (2), or
1-58 (3) [Sections 271.056(1)-(3)]; and

1-59 (2) to comply with a state or federal law, rule, or
1-60 regulation if the political subdivision has been officially
1-61 notified of noncompliance with the law, rule, or regulation.

2-9 * * * * *