

## **BILL ANALYSIS**

Senate Research Center  
80R11201 MSE-D

H.B. 730  
By: Kolkhorst (West, Royce)  
Intergovernmental Relations  
5/11/2007  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Current law requires municipalities, counties, and certain other local governments to publish notice that states the time and place for the passage of an order authorizing the issuance of certificates of obligation, the maximum amount and purpose of the certificates to be authorized, and the manner in which such certificates will be funded. However, there is no requirement for the issuer to also disclose that a petition can be filed requiring a public vote to be held to authorize said certificates of obligation.

H.B. 730 intends to provide better notice of a local political subdivision's intent to issue certificates of obligation.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 271.049, Local Government Code, by amending Subsection (b) and adding Subsection (e), as follows:

(b) Requires the notice of intention to issue certificates of obligation to contain specific language if the issuer is a municipality or county that notifies citizens of their right to petition for a public vote that would authorize the issuance of certificates of obligation. Sets forth the specific language of such a notice.

(e) Prohibits the issuer of the certificates of obligation, if at any time during the seven days after the notice is first published under Subsection (a), the municipal secretary or clerk if the issuer is a municipality, or the county clerk if the issuer is a county, receives written notice of the intent to circulate a petition under Subsection (c), from authorizing the issuance of the certificates of obligation earlier than the 30th day after the date the secretary or clerk receives the notice of the intent to circulate the petition.

SECTION 2. Effective date: upon passage or September 1, 2007.