

BILL ANALYSIS

Senate Research Center
79R12150 E

H.B. 647
By: Krusee (Ogden)
Intergovernmental Relations
5/19/2005
Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

H.B. 647 expands Chapter 1371, (Obligations for Certain Public Improvements) of the Government Code to permit counties with outstanding ad valorem tax-backed debt of at least \$100 million to be issuers under Chapter 1371, as long as the long-term debt of such counties is rated in one of the four highest rating categories by a nationally recognized rating agency.

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 1371.001(4), Government Code, to redefine "issuer."

SECTION 2. Amends Section 1371.057, Government Code, by adding Subsection (c), as follows:

(c) Requires, if the obligation authorization provides that the issuer intends to refinance an obligation or loan under a credit agreement with refunding bonds issued under Chapter 1207 (Refunding Bonds), Government Code the obligation or loan to be treated, for purposes of attorney general review and approval, as having the intended term and payment schedule of the refunding bonds.

SECTION 3. Effective date: upon passage or September 1, 2005.