

AN ACT

relating to the issuance of county obligations for public improvements and to the review and approval of refunding bonds by the attorney general.

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

SECTION 1. Section 1371.001(4), Government Code, is amended to read as follows:

(4) "Issuer" means:

(A) a home-rule municipality that:

(i) adopted its charter under Section 5, Article XI, Texas Constitution;

(ii) has a population of 50,000 or more; and

(iii) has outstanding long-term indebtedness that is rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for a long-term obligation;

(B) a conservation and reclamation district created and organized as a river authority under Section 52, Article III, or Section 59, Article XVI, Texas Constitution;

(C) a joint powers agency organized and operating under Chapter 163, Utilities Code;

(D) a metropolitan rapid transit authority or regional transportation authority created, organized, and operating under Chapter 451 or 452, Transportation Code;

1 (E) a conservation and reclamation district
2 organized or operating as a navigation district under Section 52,
3 Article III, or Section 59, Article XVI, Texas Constitution;

4 (F) a district organized or operating under
5 Section 59, Article XVI, Texas Constitution, that has all or part of
6 two or more municipalities within its boundaries;

7 (G) a state agency, including a state institution
8 of higher education;

9 (H) a hospital authority created or operating
10 under Chapter 262 or 264, Health and Safety Code, in a county that:

11 (i) has a population of more than 3.3
12 million; or

13 (ii) is included, in whole or in part, in a
14 standard metropolitan statistical area of this state that includes
15 a county with a population of more than 2.2 million;

16 (I) a hospital district in a county that has a
17 population of more than two million;

18 (J) a nonprofit corporation organized to
19 exercise the powers of a higher education authority under Section
20 53.47(e), Education Code;

21 (K) a county:

22 (i) that has ~~with~~ a population of 3.3
23 million or more; or

24 (ii) that, on the date of issuance of
25 obligations under this chapter, has authorized, outstanding, or any
26 combination of authorized and outstanding, indebtedness of at least
27 \$100 million secured by and payable from the county's ad valorem

1 taxes and the authorized long-term indebtedness of which is rated
2 by a nationally recognized rating agency of securities issued by
3 local governments in one of the four highest rating categories for a
4 long-term obligation;

5 (L) an independent school district that has an
6 average daily attendance of 50,000 or more as determined under
7 Section 42.005, Education Code;

8 (M) a municipality or county operating under
9 Chapter 334, Local Government Code; or

10 (N) a district created under Chapter 335, Local
11 Government Code.

12 SECTION 2. Section 1371.057, Government Code, is amended by
13 adding Subsection (c) to read as follows:

14 (c) If the obligation authorization provides that the
15 issuer intends to refinance an obligation or loan under a credit
16 agreement with refunding bonds issued under Chapter 1207, then the
17 obligation or loan shall be treated, for purposes of attorney
18 general review and approval, as having the intended term and
19 payment schedule of the refunding bonds.

20 SECTION 3. This Act takes effect immediately if it receives
21 a vote of two-thirds of all the members elected to each house, as
22 provided by Section 39, Article III, Texas Constitution. If this
23 Act does not receive the vote necessary for immediate effect, this
24 Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I certify that H.B. No. 647 was passed by the House on May 9, 2005, by the following vote: Yeas 135, Nays 6, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 647 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor