

1-1 By: Krusee (Senate Sponsor - Ogden) H.B. No. 647  
1-2 (In the Senate - Received from the House May 10, 2005;  
1-3 May 12, 2005, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 21, 2005, reported favorably by  
1-5 the following vote: Yeas 5, Nays 0; May 21, 2005, sent to  
1-6 printer.)

1-7 A BILL TO BE ENTITLED  
1-8 AN ACT

1-9 relating to the issuance of county obligations for public  
1-10 improvements and to the review and approval of refunding bonds by  
1-11 the attorney general.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 1371.001(4), Government Code, is amended  
1-14 to read as follows:

1-15 (4) "Issuer" means:

1-16 (A) a home-rule municipality that:

1-17 (i) adopted its charter under Section 5,  
1-18 Article XI, Texas Constitution;

1-19 (ii) has a population of 50,000 or more; and

1-20 (iii) has outstanding long-term  
1-21 indebtedness that is rated by a nationally recognized rating agency  
1-22 for municipal securities in one of the four highest rating  
1-23 categories for a long-term obligation;

1-24 (B) a conservation and reclamation district  
1-25 created and organized as a river authority under Section 52,  
1-26 Article III, or Section 59, Article XVI, Texas Constitution;

1-27 (C) a joint powers agency organized and operating  
1-28 under Chapter 163, Utilities Code;

1-29 (D) a metropolitan rapid transit authority or  
1-30 regional transportation authority created, organized, and  
1-31 operating under Chapter 451 or 452, Transportation Code;

1-32 (E) a conservation and reclamation district  
1-33 organized or operating as a navigation district under Section 52,  
1-34 Article III, or Section 59, Article XVI, Texas Constitution;

1-35 (F) a district organized or operating under  
1-36 Section 59, Article XVI, Texas Constitution, that has all or part of  
1-37 two or more municipalities within its boundaries;

1-38 (G) a state agency, including a state institution  
1-39 of higher education;

1-40 (H) a hospital authority created or operating  
1-41 under Chapter 262 or 264, Health and Safety Code, in a county that:

1-42 (i) has a population of more than 3.3  
1-43 million; or

1-44 (ii) is included, in whole or in part, in a  
1-45 standard metropolitan statistical area of this state that includes  
1-46 a county with a population of more than 2.2 million;

1-47 (I) a hospital district in a county that has a  
1-48 population of more than two million;

1-49 (J) a nonprofit corporation organized to  
1-50 exercise the powers of a higher education authority under Section  
1-51 53.47(e), Education Code;

1-52 (K) a county:

1-53 (i) that has [with] a population of 3.3  
1-54 million or more; or

1-55 (ii) that, on the date of issuance of  
1-56 obligations under this chapter, has authorized, outstanding, or any  
1-57 combination of authorized and outstanding, indebtedness of at least  
1-58 \$100 million secured by and payable from the county's ad valorem  
1-59 taxes and the authorized long-term indebtedness of which is rated  
1-60 by a nationally recognized rating agency of securities issued by  
1-61 local governments in one of the four highest rating categories for a  
1-62 long-term obligation;

1-63 (L) an independent school district that has an  
1-64 average daily attendance of 50,000 or more as determined under

2-1 Section 42.005, Education Code;  
2-2 (M) a municipality or county operating under  
2-3 Chapter 334, Local Government Code; or  
2-4 (N) a district created under Chapter 335, Local  
2-5 Government Code.

2-6 SECTION 2. Section 1371.057, Government Code, is amended by  
2-7 adding Subsection (c) to read as follows:

2-8 (c) If the obligation authorization provides that the  
2-9 issuer intends to refinance an obligation or loan under a credit  
2-10 agreement with refunding bonds issued under Chapter 1207, then the  
2-11 obligation or loan shall be treated, for purposes of attorney  
2-12 general review and approval, as having the intended term and  
2-13 payment schedule of the refunding bonds.

2-14 SECTION 3. This Act takes effect immediately if it receives  
2-15 a vote of two-thirds of all the members elected to each house, as  
2-16 provided by Section 39, Article III, Texas Constitution. If this  
2-17 Act does not receive the vote necessary for immediate effect, this  
2-18 Act takes effect September 1, 2005.

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