

1-1 By: Nelson S.B. No. 1876
1-2 (In the Senate-Filed March 11, 2009; March 24, 2009, read
1-3 first time and referred to Committee on Transportation and Homeland
1-4 Security; April 22, 2009, reported favorably by the following
1-5 vote: Yeas 8, Nays 0; April 22, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the administration and powers of a coordinated county
1-9 transportation authority.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 460.502, Transportation Code, is amended
1-12 by amending Subsection (d) and adding Subsection (e) to read as
1-13 follows:

1-14 (d) A bond any portion of which is secured by a pledge of
1-15 sales and use tax revenues and that has a maturity of five years or
1-16 longer from the date of issuance may not be issued by an authority
1-17 until an election has been held in the municipalities in which the
1-18 authority has been authorized to impose a sales and use tax and the
1-19 proposition proposing the issue has been approved by a majority of
1-20 the votes received on the issue [~~in accordance with the provisions~~
1-21 ~~established for the authorization of a tax levy under Subchapter~~
1-22 ~~€~~].

1-23 (e) Subsection (d) does not apply to the issuance of
1-24 refunding bonds or bonds described by Subsection (b)(2).

1-25 SECTION 2. Section 460.506, Transportation Code, is amended
1-26 to read as follows:

1-27 Sec. 460.506. SECURITY PLEDGED. To secure the payment of an
1-28 authority's bonds, the authority may:

1-29 (1) pledge all or part of revenue realized from any tax
1-30 that is approved and levied;

1-31 (2) pledge any part of the revenue of the public
1-32 transportation system;

1-33 (3) mortgage any part of the public transportation
1-34 system regardless of when acquired; or

1-35 (4) pledge government grants, contractual revenue, or
1-36 lease revenue.

1-37 SECTION 3. Subchapter G, Chapter 460, Transportation Code,
1-38 is amended by adding Section 460.509 to read as follows:

1-39 Sec. 460.509. OBLIGATIONS AND CREDIT AGREEMENTS. An
1-40 authority may issue obligations and enter into credit agreements
1-41 under Chapter 1371, Government Code.

1-42 SECTION 4. Subdivision (4), Section 1371.001, Government
1-43 Code, is amended to read as follows:

1-44 (4) "Issuer" means:

1-45 (A) a home-rule municipality that:

1-46 (i) adopted its charter under Section 5,
1-47 Article XI, Texas Constitution;

1-48 (ii) has a population of 50,000 or more; and

1-49 (iii) has outstanding long-term
1-50 indebtedness that is rated by a nationally recognized rating agency
1-51 for municipal securities in one of the four highest rating
1-52 categories for a long-term obligation;

1-53 (B) a conservation and reclamation district
1-54 created and organized as a river authority under Section 52,
1-55 Article III, or Section 59, Article XVI, Texas Constitution;

1-56 (C) a joint powers agency organized and operating
1-57 under Chapter 163, Utilities Code;

1-58 (D) a metropolitan rapid transit authority, ~~or~~
1-59 regional transportation authority, or coordinated county
1-60 transportation authority created, organized, or [~~and~~]
1-61 operating under Chapter 451, ~~or~~ 452, or 460, Transportation Code;

1-62 (E) a conservation and reclamation district
1-63 organized or operating as a navigation district under Section 52,
1-64 Article III, or Section 59, Article XVI, Texas Constitution;

2-1 (F) a district organized or operating under
2-2 Section 59, Article XVI, Texas Constitution, that has all or part of
2-3 two or more municipalities within its boundaries;

2-4 (G) a state agency, including a state institution
2-5 of higher education;

2-6 (H) a hospital authority created or operating
2-7 under Chapter 262 or 264, Health and Safety Code, in a county that:

2-8 (i) has a population of more than 3.3
2-9 million; or

2-10 (ii) is included, in whole or in part, in a
2-11 standard metropolitan statistical area of this state that includes
2-12 a county with a population of more than 2.2 million;

2-13 (I) a hospital district in a county that has a
2-14 population of more than two million;

2-15 (J) a nonprofit corporation organized to
2-16 exercise the powers of a higher education loan authority under
2-17 Section 53B.47(e), Education Code;

2-18 (K) a county:

2-19 (i) that has a population of 3.3 million or
2-20 more; or

2-21 (ii) that, on the date of issuance of
2-22 obligations under this chapter, has authorized, outstanding, or any
2-23 combination of authorized and outstanding, indebtedness of at least
2-24 \$100 million secured by and payable from the county's ad valorem
2-25 taxes and the authorized long-term indebtedness of which is rated
2-26 by a nationally recognized rating agency of securities issued by
2-27 local governments in one of the four highest rating categories for a
2-28 long-term obligation;

2-29 (L) an independent school district that has an
2-30 average daily attendance of 50,000 or more as determined under
2-31 Section 42.005, Education Code;

2-32 (M) a municipality or county operating under
2-33 Chapter 334, Local Government Code;

2-34 (N) a district created under Chapter 335, Local
2-35 Government Code;

2-36 (O) a junior college district that has a total
2-37 headcount enrollment of 40,000 or more based on enrollment in the
2-38 most recent regular semester; or

2-39 (P) an issuer, as defined by Section 1201.002,
2-40 that has:

2-41 (i) a principal amount of at least \$100
2-42 million in outstanding long-term indebtedness, in long-term
2-43 indebtedness proposed to be issued, or in a combination of
2-44 outstanding or proposed long-term indebtedness; and

2-45 (ii) some amount of long-term indebtedness
2-46 outstanding or proposed to be issued that is rated in one of the
2-47 four highest rating categories for long-term debt instruments by a
2-48 nationally recognized rating agency for municipal securities,
2-49 without regard to the effect of any credit agreement or other form
2-50 of credit enhancement entered into in connection with the
2-51 obligation.

2-52 SECTION 5. (a) Any act or proceeding of a coordinated
2-53 county transportation authority is validated as of the date it
2-54 occurred.

2-55 (b) This Act does not validate any governmental act or
2-56 proceeding that, under the law of this state at the time the act or
2-57 proceeding occurred, was a misdemeanor offense or a felony offense.

2-58 SECTION 6. This Act takes effect September 1, 2009.

2-59 * * * * *