

By: Gámez

H.B. No. 3483

Substitute the following for H.B. No. 3483:

By: Martinez

C.S.H.B. No. 3483

A BILL TO BE ENTITLED

AN ACT

relating to the authority of a special utility district to issue a public security.

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, regional transportation authority, or coordinated county transportation authority created, organized, or operating under Chapter 451, 452, or 460, 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 2.5 million;

16                   (I) a hospital district in a county that has a  
17 population of more than 2.5 million;

18                   (J) a nonprofit corporation organized to  
19 exercise the powers of a higher education loan authority under  
20 Section 53B.47(e), Education Code;

21                   (K) a county:

22                   (i) that has a population of more than 3.3  
23 million; 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 48.005, Education Code;

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

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

12 (O) a junior college district that has a total  
13 headcount enrollment of 40,000 or more based on enrollment in the  
14 most recent regular semester; ~~or~~

15 (P) a conservation and reclamation district  
16 organized or operating as a special utility district under Section  
17 59, Article XVI, Texas Constitution, and Chapter 65, Water Code; or

18 (Q) an issuer, as defined by Section 1201.002,  
19 that has:

20 (i) a principal amount of at least \$100  
21 million in outstanding long-term indebtedness, in long-term  
22 indebtedness proposed to be issued, or in a combination of  
23 outstanding or proposed long-term indebtedness; and

24 (ii) some amount of long-term indebtedness  
25 outstanding or proposed to be issued that is rated in one of the  
26 four highest rating categories for long-term debt instruments by a  
27 nationally recognized rating agency for municipal securities,

1 without regard to the effect of any credit agreement or other form  
2 of credit enhancement entered into in connection with the  
3 obligation.

4 SECTION 2. Section 65.501, Water Code, is amended to read as  
5 follows:

6 Sec. 65.501. ISSUANCE OF BONDS AND NOTES. (a) A ~~[The]~~  
7 district may issue its bonds or notes for the purpose of purchasing,  
8 constructing, acquiring, owning, operating, repairing, improving,  
9 or extending any district works, improvements, facilities, plants,  
10 equipment, and appliances needed to accomplish the purposes listed  
11 in Section 65.012 ~~[of this code]~~, including works, improvements,  
12 facilities, plants, equipment, and appliances needed to provide a  
13 waterworks system, sanitary sewer system, storm sewer system, or  
14 solid waste disposal system, or to provide for solid waste  
15 collection or fire-fighting services and facilities.

16 (b) Sections 49.181 and 49.182 do not apply to a district.

17 SECTION 3. This Act takes effect September 1, 2025.