

1-1 By: Gámez, et al. (Senate Sponsor - Perry) H.B. No. 3483
1-2 (In the Senate - Received from the House May 9, 2025;
1-3 May 20, 2025, read first time and referred to Committee on Local
1-4 Government; May 26, 2025, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 6, Nays 0,
1-6 1 present not voting; May 26, 2025, sent to printer.)

1-7	COMMITTEE VOTE			
1-8		Yea	Nay	Absent
1-9	Bettencourt	X		
1-10	Middleton			X
1-11	Cook	X		
1-12	Gutierrez	X		
1-13	Nichols	X		
1-14	Paxton	X		
1-15	West	X		

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 3483 By: West

1-17 A BILL TO BE ENTITLED
1-18 AN ACT

1-19 relating to the authority of a special utility district to issue a
1-20 public security.
1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-22 SECTION 1. Section 1371.001(4), Government Code, is amended
1-23 to read as follows:
1-24 (4) "Issuer" means:
1-25 (A) a home-rule municipality that:
1-26 (i) adopted its charter under Section 5,
1-27 Article XI, Texas Constitution;
1-28 (ii) has a population of 50,000 or more; and
1-29 (iii) has outstanding long-term
1-30 indebtedness that is rated by a nationally recognized rating agency
1-31 for municipal securities in one of the four highest rating
1-32 categories for a long-term obligation;
1-33 (B) a conservation and reclamation district
1-34 created and organized as a river authority under Section 52,
1-35 Article III, or Section 59, Article XVI, Texas Constitution;
1-36 (C) a joint powers agency organized and operating
1-37 under Chapter 163, Utilities Code;
1-38 (D) a metropolitan rapid transit authority,
1-39 regional transportation authority, or coordinated county
1-40 transportation authority created, organized, or operating under
1-41 Chapter 451, 452, or 460, Transportation Code;
1-42 (E) a conservation and reclamation district
1-43 organized or operating as a navigation district under Section 52,
1-44 Article III, or Section 59, Article XVI, Texas Constitution;
1-45 (F) a district organized or operating under
1-46 Section 59, Article XVI, Texas Constitution, that has all or part of
1-47 two or more municipalities within its boundaries;
1-48 (G) a state agency, including a state institution
1-49 of higher education;
1-50 (H) a hospital authority created or operating
1-51 under Chapter 262 or 264, Health and Safety Code, in a county that:
1-52 (i) has a population of more than 3.3
1-53 million; or
1-54 (ii) is included, in whole or in part, in a
1-55 standard metropolitan statistical area of this state that includes
1-56 a county with a population of more than 2.5 million;
1-57 (I) a hospital district in a county that has a
1-58 population of more than 2.5 million;
1-59 (J) a nonprofit corporation organized to
1-60 exercise the powers of a higher education loan authority under

Section 53B.47(e), Education Code;

(K) a county:

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

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

(L) an independent school district that has an average daily attendance of 50,000 or more as determined under Section 48.005, Education Code;

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

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

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

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

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

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

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

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

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

(b) Commission rules requiring review and approval of projects, as described by Section 49.181, must provide for a simplified review and approval process for projects to be financed by revenue bonds issued under this subchapter, in accordance with Sections 65.502 through 65.507.

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

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