

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

	Yea	Nay	Absent	PNV
1-8 Bettencourt	X			
1-9 Middleton				X
1-10 Cook	X			
1-11 Gutierrez	X			
1-12 Nichols	X			
1-13 Paxton	X			
1-14 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

2-1 Section 53B.47(e), Education Code;
2-2 (K) a county:
2-3 (i) that has a population of more than 3.3
2-4 million; or
2-5 (ii) that, on the date of issuance of
2-6 obligations under this chapter, has authorized, outstanding, or any
2-7 combination of authorized and outstanding, indebtedness of at least
2-8 \$100 million secured by and payable from the county's ad valorem
2-9 taxes and the authorized long-term indebtedness of which is rated
2-10 by a nationally recognized rating agency of securities issued by
2-11 local governments in one of the four highest rating categories for a
2-12 long-term obligation;

2-13 (L) an independent school district that has an
2-14 average daily attendance of 50,000 or more as determined under
2-15 Section 48.005, Education Code;

2-16 (M) a municipality or county operating under
2-17 Chapter 334, Local Government Code;

2-18 (N) a district created under Chapter 335, Local
2-19 Government Code;

2-20 (O) a junior college district that has a total
2-21 headcount enrollment of 40,000 or more based on enrollment in the
2-22 most recent regular semester; ~~or~~

2-23 (P) a conservation and reclamation district
2-24 organized or operating as a special utility district under Section
2-25 59, Article XVI, Texas Constitution, and Chapter 65, Water Code; or

2-26 (Q) an issuer, as defined by Section 1201.002,
2-27 that has:

2-28 (i) a principal amount of at least \$100
2-29 million in outstanding long-term indebtedness, in long-term
2-30 indebtedness proposed to be issued, or in a combination of
2-31 outstanding or proposed long-term indebtedness; and

2-32 (ii) some amount of long-term indebtedness
2-33 outstanding or proposed to be issued that is rated in one of the
2-34 four highest rating categories for long-term debt instruments by a
2-35 nationally recognized rating agency for municipal securities,
2-36 without regard to the effect of any credit agreement or other form
2-37 of credit enhancement entered into in connection with the
2-38 obligation.

2-39 SECTION 2. Section 65.501, Water Code, is amended to read as
2-40 follows:

2-41 Sec. 65.501. ISSUANCE OF BONDS AND NOTES. (a) A [The]
2-42 district may issue its bonds or notes for the purpose of purchasing,
2-43 constructing, acquiring, owning, operating, repairing, improving,
2-44 or extending any district works, improvements, facilities, plants,
2-45 equipment, and appliances needed to accomplish the purposes listed
2-46 in Section 65.012 [of this code], including works, improvements,
2-47 facilities, plants, equipment, and appliances needed to provide a
2-48 waterworks system, sanitary sewer system, storm sewer system, or
2-49 solid waste disposal system, or to provide for solid waste
2-50 collection or fire-fighting services and facilities.

2-51 (b) Commission rules requiring review and approval of
2-52 projects, as described by Section 49.181, must provide for a
2-53 simplified review and approval process for projects to be financed
2-54 by revenue bonds issued under this subchapter, in accordance with
2-55 Sections 65.502 through 65.507.

2-56 SECTION 3. This Act takes effect September 1, 2025.

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