

SUBJECT: Amending the definition of a public work

COMMITTEE: Pensions, Investments & Financial Services — committee substitute recommended

VOTE: 8 ayes — Capriglione, Lambert, Bhojani, Bryant, Frazier, Leo-Wilson, Plesa, VanDeaver

0 nays

1 absent — Vo

WITNESSES: For — Karla Sierra, The LIBRE Initiative (*Registered, but did not testify*: James Quintero, Texas Public Policy Foundation; Seth Juergens, Texas REALTORS)

Against — Adam Haynes, Conference of Urban Counties (*Registered, but did not testify*: Brie Franco, City of Austin; Clifford Sparks, City of Dallas; LaRessa Quintana, City of Denton; Guadalupe Cuellar, City of El Paso; Jon Weist, City of Irving; Angela Hale, City of McKinney; Andrew Fortune, City of Plano; Troy Elliot, City of San Antonio; Rick Ramirez, City of Sugar Land; Elisa M. Tamayo, El Paso County; Angela Hale, McKinney Chamber of Commerce; Cicely Kay, Travis County Commissioners Court)

On — (*Registered, but did not testify*: Leslie Brock, Office of the Attorney General)

BACKGROUND: Some have suggested defining in statute what constitutes a public work would help to clarify local governments' authority to issue a certificate of obligation or anticipation note.

DIGEST: CSHB 4082 would define a public work for an issuer that was a municipality or county to mean the following public improvements:

- a street, road, highway, bridge, sidewalk, or parking structure;

- a landfill;
- an airport;
- a utility system, water supply project, water treatment plant, wastewater treatment plant or water or wastewater conveyance facility;
- a wharf or dock;
- a flood control and drainage project;
- a public safety facility, including a police station, fire station, emergency shelter, jail, or juvenile detention facility;
- a judicial facility;
- an administrative office building housing the governmental functions of the municipality or county;
- an animal shelter;
- a library; or
- a park or recreation facility that was generally accessible to the public and was dedicated as part of the municipal or county park system.

The definition would not include:

- a facility for professional or semi-professional sports;
- a stadium, arena, civic center, convention center, or coliseum; or
- a hotel.

The bill would take effect September 1, 2023 and would apply only to a anticipation or obligation note on or after the effective date.