

SUBJECT: Enabling facsimile signature use on certain municipal liens and contracts

COMMITTEE: Urban Affairs — favorable, without amendment

VOTE: 8 ayes — Dutton, Alvarado, Callegari, P. King, Mallory Caraway, Parker, Paxton, Simpson

0 nays

1 absent — Gutierrez

SENATE VOTE: On final passage, April 14 — 31-0, on Local and Uncontested Calendar

WITNESSES: (*On House companion bill, HB 1250:*)
For — John Grace, City of Lubbock; (*Registered, but did not testify:* Laura Mueller, Texas Municipal League)

Against — None

BACKGROUND: Health and Safety Code, ch. 342, subch. A addresses municipal regulation of sanitation. Sec. 342.006 authorizes a municipality to perform needed sanitation work on a property lot if the owner has not complied with a municipal ordinance within seven days of notice of a violation. The municipality also may charge the owner for expenses for the work performed. Sec. 342.007 authorizes the municipality to file a lien against the owner’s property for the expenses incurred under sec. 342.006.

Government Code, ch. 618 is the Uniform Facsimile Signature of Public Officials Act. Sec. 681.002(4) defines a “facsimile signature” as a reproduction of a manual signature of an authorized officer made by any method. Sec. 681.002(3) defines an “eligible contract” as written evidence of an agreement, other than a public security or instrument of payment, that is executed, authenticated, certified, or endorsed on behalf of a home-rule municipality with a population of 1.9 million or more (Houston). Sec. 618.003 authorizes the use of a facsimile signature on a public security, instrument of payment, certificate of assessment, or an eligible contract, on the condition that the use is authorized locally as well.

DIGEST: SB 577 would amend Health and Safety Code, sec. 342.007(b) to specifically allow a municipality to use a facsimile signature, as defined in Government Code, sec. 681.002, on property lien statements related to assessed sanitation expenses.

The bill also would amend Government Code, sec. 618.002(3) to change the definition of an “eligible contract” by lowering the minimum population of a municipality that could use a facsimile signature on a contract from 1.9 million to 200,000.

The bill would take immediate effect if it received a two-thirds vote of the elected membership of each house. Otherwise, it would take effect September 1, 2011.

SUPPORTERS SAY: SB 577 would improve municipal government efficiency by clarifying that cities are allowed to use facsimile signatures on sanitation liens. The mayor of Lubbock, for example, currently has to hand-sign 1,500 to 2,000 environmental liens every year, which occupies a considerable amount of his time. The bill simply would ensure municipalities could take advantage of a common technology to execute their lien-signing duties more quickly and easily.

The bill also would allow San Antonio, Dallas, Austin, Fort Worth, El Paso, Arlington, Corpus Christi, Plano, Laredo, Lubbock, Garland, and Irving to use facsimile signatures on eligible contracts. The authorization in current law for municipalities with populations of 1.9 million to use facsimile signatures could suggest that their use by municipalities with populations under 1.9 million would require additional legislative approval, which would be provided by SB 577.

OPPONENTS SAY: No apparent opposition.

NOTES: The House companion bill, HB 1250 by Frullo, passed the House by 138-0 on May 13 and was referred to the Senate Intergovernmental Relations Committee on May 16.