

BILL ANALYSIS

Senate Research Center

S.B. 835
By: Nixon
State Affairs
4-21-97
Committee Report (Amended)

DIGEST

Currently, the Texas Water Development Board can issue a financially binding resolution to an applicant for bond approval without giving public notice. Water customers may be responsible for repaying borrowed funds. This bill requires public input for loans that are required to be paid by persons other than the applicant.

PURPOSE

As proposed, S.B. 835 requires public input for loans that are required to be paid by persons other than the applicant.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 10F, Government Code, by adding Chapter 2259, as follows:

CHARTER 2259. PUBLIC NOTICE OF INTENT TO APPLY FOR LOAN OR GRANT FROM STATE AGENCY

Sec. 2259.001. NOTICE REQUIRED. Requires a person who intends to apply for a loan or grant described by Subsection (b) from a state agency to give notice of that intention as prescribed by this chapter. Sets forth types of loans and grants to which this chapter applies. Prohibits a state agency from making a loan or grant to which this chapter applies, unless the person applying for the loan or grant files proof of publication or posting with the agency. Provides that services are affected by a loan or grant if revenues from the services are authorized to be used to repay the loan or grant.

Sec. 2259.002. PUBLICATION OF NOTICE. Requires a person other than a state agency who intends to apply for a loan or grant to publish notice of that intention in a newspaper published in each county in which the person offers services that will be affected by the loan or grant. Requires the agency to give notice through publication in the Texas Register. Requires the notice to be published by the 30th day on which the state agency takes action on the loan or grant application. Requires the person applying for the loan or grant to publish notice in each county in which the person offers services that will be affected by the loan or grant, if the person offers services that will be affected by the loan or grant in more than one county.

Sec. 2259.003. POSTING OF NOTICE. Requires the person applying for the loan or grant to post the notice at the courthouse door and at five other public places in the immediate locality in the county in which the person offers services that will be affected by the loan or grant, if a newspaper is not published in the county. Requires the notice to be posted for at least 30 days before the date on which the state agency takes action on the loan or grant application.

Sec. 2259.004. CONTENTS OF NOTICE. Requires the notice to identify the state agency

with which the person will apply for the loan or grant and to contain a statement of the general purpose of and the amount of the loan or grant for which the person will apply.

Sec. 2259.005. COST OF PUBLICATION OR POSTING. Requires the person who intends to apply for a loan or grant to pay the cost of publication or posting the notice.

Sec. 2259.006. PROOF OF PUBLICATION OR POSTING. Requires proof of publication to be made by the affidavit of the publisher accompanied by a printed copy of the notice as published. Requires proof of posting to be made by the return of the sheriff or constable or by the affidavit of a credible person made on a copy of the posted notice showing the fact of the posting.

SECTION 2. Effective date: September 1, 1997.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

Amendment 1.

Page 2, line 3, insert "other than a state agency," after "person" and before "who."

Page 2, line 7, insert "A state agency shall give notice through publication in the Texas Register" after "grant."

Page 2, line 9, replace "person applies for the loan or grant." with "state agency takes action on the loan or grant application."

Page 2, line 21, replace "person applies for the loan or grant." with "state agency takes action on the loan or grant application."