

## **BILL ANALYSIS**

Senate Research Center  
76R12946 JRD-D

H.B. 2557  
By: Glaze (Ratliff)  
State Affairs  
5/13/1999  
Engrossed

### **DIGEST**

Currently, there is concern regarding the accountability of private, nonprofit corporations who receive grant money from the state or the federal government and distribute these funds to local service agencies under contract. While these organizations are subject to the Texas Open Records Act, they are not subject to the Texas Open Meetings Act. In this situation, decisions can be made without the knowledge of, or an opportunity for input by, various interested parties. H.B. 2557 subjects a nonprofit organization that receives funds under the federal community services block grant and that is authorized to serve a geographic area of the state to the Texas Open Meetings Act, requiring it to make its board meetings and financial records open to the public.

### **PURPOSE**

As proposed, H.B. 2557 subjects a nonprofit organization that receives funds under the federal community services block grant and that is authorized to serve a geographic area of the state to the Texas Open Meetings Act, requiring it to make its board meetings and financial records open to the public.

### **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 Section 551.001(3), Government Code, to redefine "governmental body" as a nonprofit corporation organized under Chapter 67 (Nonprofit Water Supply or Sewer Service Corporations), Water Code, rather than Chapter 76, Acts of the 43rd Legislature, 1st Called Session, 1933 (Article 1434a, V.T.C.S.). Includes in the definition of a "governmental body" a nonprofit corporation that is eligible to receive funds under the federal community services block grant program and that is authorized by this state to serve a geographic area of the state.

SECTION 2. Amends Section 552.003(1), Government Code, to include in the definition of "governmental body" a nonprofit corporation that is eligible to receive funds under the federal community services block grant program and that is authorized by this state to serve a geographic area of the state. Makes a conforming change.

SECTION 3. Effective date: September 1, 1999. Makes application of the change in law to Section 551.001, Government Code, made by this Act prospective to a deliberation of the governing body of a nonprofit corporation that is eligible to receive funds under the federal community services block grant program and that is authorized by this state to serve a geographic area of the state that begins on or after September 4, 1999. Makes the change in law to Section 552.003, Government Code, made by this Act applicable regardless of when the information was collected or assembled.

SECTION 4. Emergency clause.