

BILL ANALYSIS

Senate Research Center
77R5816 JRD-D

H.B. 2190
By: Junell (Ellis, Rodney)
Finance
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Engrossed

DIGEST AND PURPOSE

The Texas Bond Review Board (board) was created in 1987 to provide a vehicle to oversee and approve state debt. Texas issues billions of dollars worth of debt each year in the form of bonds and commercial paper notes but has no formal statewide debt policy. H.B. 2190 provides for the establishment of debt issuance policies and guidelines by the Bond Review Board.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 1231B, Government Code, by adding Section 1231.023, as follows:

Sec. 1231.023. DEBT ISSUANCE POLICIES AND GUIDELINES. (a) Requires the Bond Review Board (board) to adopt debt issuance policies to guide issuers of state securities and to ensure that state debt is prudently managed. Requires the policies to be sufficiently flexible to allow the state and issuers of state securities to respond to changing economic conditions.

(b) Requires the board to consult with issuers of state securities in developing the policies.

(c) Requires the board to adopt policies that take certain actions.

SECTION 2. Effective date: upon passage or September 1, 2001.