

BILL ANALYSIS

Senate Research Center
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H.B. 2988
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Veteran Affairs & Military Installations
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Engrossed

DIGEST AND PURPOSE

Currently, general obligation bonds (bonds) of the State of Texas issued by the Veterans' Land Board (board) in connection with the Veterans' Land Program and the Veterans' Housing Assistance Program require the signatures of the chairman and executive secretary of the board and the governor. The requirement of the governor's signature may cause problems in obtaining timely execution of the bonds and related documents because of the often unpredictable nature of the governor's schedule. In addition, the board is currently required to approve the specific terms, including documentation in substantially final form, relating to any veterans' housing assistance loans. This requirement may prove to be burdensome and unwieldy when pricing a loan sale, because the pricing must be coordinated with a board meeting. This may eliminate the ability to respond quickly to favorable market conditions. Furthermore, unfavorable developments at the scheduled time of pricing may either force the board to accept the pricing or to postpone the pricing until some future date. H.B. 2988 authorizes the board, on an issue by issue basis, to determine the manner in which bonds issued by it are to be executed and provides that the governor's signature is no longer required on such bonds.

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 Section 161.116(b), Natural Resources Code, to require bonds to be signed and executed as the Veterans' Land Board (board) provides in the resolution or order authorizing the issuance of the bonds. Deletes existing text relating to certain state officials signing the bonds.

SECTION 2. Amends Section 162.005, Natural Resources Code, to authorize the board, in the resolution of the board that authorizes the sale of any or all of the loans in the fund, to also authorize one or more designated officers or employees of the board to act on the board's behalf in certain circumstances. Requires a resolution that authorizes an officer or employee of the board to act on the board's behalf as provided by this section to establish the maximum principal amount of the loans to be sold and the minimum sales price of the loans to be sold, expressed as a percentage of the principal amount of the loans.

SECTION 3. Amends Section 162.036(b), Natural Resources Code, to make conforming changes.

SECTION 4. Effective date: September 1, 2001.