

BILL ANALYSIS

Senate Research Center
77R10011 JRD-F

H.B. 3329
By: Averitt (Brown, J. E. "Buster")
Natural Resources
5/7/2001
Engrossed

DIGEST AND PURPOSE

Federal law limits the amount of tax-exempt financing that may be used to benefit private entities or individuals each year and authorizes each state to allocate this money through a private activity bond allocation program (program). The United States Congress has set the state ceiling on bonds for fiscal years 2001 and 2002. H.B. 3329 dedicates a portion of the state ceilings available exclusively for reservations by issuers of qualified small issue bonds and enterprise zone facility bonds for a limited time to the Texas Agricultural Finance Authority for the purpose of issuing such bonds in rural areas of the state and provides that current provisions regarding private activity bonds expire September 1, 2003.

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 1372.022, Government Code, by adding Subsection (c), to provide that this section expires September 1, 2003.

SECTION 2. Amends Chapter 1372B, Government Code, by adding Section 1372.0235, as follows:

Sec. 1372.0235. DEDICATION OF PORTION OF STATE CEILING TO TEXAS AGRICULTURAL FINANCE AUTHORITY. (a) Provides that, until June 1, of that portion of the state ceiling that is available exclusively for reservations by issuers of qualified small issue bonds and enterprise zone facility bonds, one-third is available exclusively to the Texas Agricultural Finance Authority (authority) for the purpose of issuing qualified small issue bonds and enterprise zone facility bonds in rural areas of the state.

(b) Provides that, for purposes of this section, the governing body of the authority determines what constitutes a rural area of the state.

SECTION 3. Amends Section 1372.028(d), Government Code, to add a reference to the authority.

SECTION 4. (a) Provides that, in accordance with Section 311.031(c), Government Code, which gives effect to a substantive amendment enacted by the same legislature that codifies the amended statute, the text of Section 1372.028(d), Government Code, as set out in this Act, gives effect to changes made by Chapter 131, Acts of the 76th Legislature, Regular Session, 1999.

(b) Provides that, to the extent of any conflict, this Act prevails over another Act of the 77th Legislature, Regular Session, 2001, relating to nonsubstantive additions and corrections in enacted codes.

SECTION 5. Effective date: September 1, 2001.