

## **BILL ANALYSIS**

Senate Research Center  
77R7380 JMG-F

S.B. 1081  
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Intergovernmental Relations  
3/23/2001  
As Filed

### **DIGEST AND PURPOSE**

Under current law, a cultural educational facilities finance corporation is required to issue one bond for each project undertaken. This requires duplication of efforts and resources for legal fees and other costs associated with the bond financing program. As proposed, S.B. 1081 amends the Cultural Education Facilities Finance Corporation Act and allows a single bond issuer to provide bond financing for more than one project.

### **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 4, Cultural Education Facilities Finance Corporation Act (Article 1528m, V.T.C.S.), as follows:

Sec. 4. New heading: CREATION OF CORPORATIONS; POWERS; ISSUANCE OF BONDS; TAX EXEMPTION. Requires the corporation to be created and organized in the same manner and have the same powers, authority, and rights with respect to cultural facilities and health facilities that a health facilities development corporation has with respect to health facilities under Chapter 221 (Health Facilities Development Act), Health and Safety Code, and with respect to educational facilities, housing facilities, and other facilities incidental, subordinate, or related to those facilities that a nonprofit corporation created under Section 53.35(b) (Administrative Provisions), Education Code, has under Chapter 53 (Higher Education Authorities), Education Code. Provides that the powers of a corporation under this section include the power to perform certain procedures. Provides that property owned by the corporation, property owned by a nonprofit corporation or limited liability company whose sole member is the corporation, the income from the property, all bonds issued by the corporation, the income from the bonds, and the transfer of the bonds are exempt, as public property used for public purposes, from all taxes imposed by this state or any political subdivision of this state. Provides that the authority of the corporation, regardless of any provision in Chapter 221 (Health Facilities Development Act), Health and Safety Code, may be exercised outside the limits of the city or county that created the corporation without the consent of that city or county unless the articles of incorporation or bylaws of the corporation provide differently. Deletes "cultural." Makes conforming changes.

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