

BILL ANALYSIS

Senate Research Center
77R9107 T

S.B. 1296
By: Lucio
Business & Commerce
3/25/2001
As Filed

DIGEST AND PURPOSE

Currently, unscrupulous development and substandard housing conditions along the Texas-Mexico border are prohibited by state law. However, many neighborhoods, known as *colonias*, were built in this region prior to 1989 when legislative reform began. Since little is available or affordable to the residents of these *colonias*, many Texas residents continue to live in neighborhoods without basic services. As proposed, S.B. 1296 authorizes the issuance of general obligation bonds to aid counties in roadway improvement projects to serve *colonias*.

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 1401, Government Code, by adding Section 1401.0411, as follows:

Sec. 1401.0411. GENERAL OBLIGATION SECURITIES FOR COLONIA ROADWAY PROJECTS. (a) Authorizes the Texas Public Finance Authority (authority), as provided by Section 49-1 (State Debts), Article III, Texas Constitution, to issue general obligation public securities in an amount not to exceed \$175 million, and enter into related credit agreements, to provide financial assistance to counties for roadway improvement projects to serve colonias.

(b) Requires the authority to issue the securities to provide financial assistance to counties in accordance with a request for financing from the Office of the Governor. Requires the counties that are to receive financial assistance, the projects, and the amount of such assistance to be approved by the Office of the Governor in accordance with administrative procedures established by that Office.

(c) Requires the issuance of public securities under this section to be in accordance with and subject to Chapters 1201-1207, 1231, 1232, and 1371.

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