

## **BILL ANALYSIS**

H.B. 3601  
By: Darby  
Appropriations  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties observe that current law requires state agencies to pay interest that accrues on an overdue payment, even if the interest amount is \$5 or less. While such a small payment would have little effect on vendors, the annual costs of the interest payments made by state agencies add up quickly. The parties note that institutions of higher education receive an exemption from paying interest amounts that are \$5 or less, without much ill effect on vendors. H.B. 3601 seeks to extend that exemption to state agencies in general.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 3601 amends the Government Code to remove a condition making a statutory provision that establishes that no interest accrues and that prohibits the payment of interest on an overdue payment owed by a state agency when the total amount of interest that otherwise would have accrued is \$5 or less applicable only if the payment of interest is being made from the institutional funds of an institution of higher education.

### **EFFECTIVE DATE**

September 1, 2015.