

BILL ANALYSIS

Senate Research Center
76R12735 JRD-F

H.B. 2429
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Finance
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Engrossed

DIGEST

Currently, vendors doing business with the state cannot choose their method of payment by the comptroller of public accounts. Unless a vendor does not have an account with a financial institution, accounts must be paid through the direct deposit system. This has caused problems for some small businesses that do not have accounting systems sophisticated enough for this method of payment. H.B. 2429 would allow the vendor to choose either an electronic transfer or a warrant as the method of payment by the comptroller.

PURPOSE

As proposed, H.B. 2429 would authorize certain vendors to choose either an electronic transfer or a warrant as the method of payment by the comptroller.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 403.016(c) and (h), Government Code, to include payments to vendors who choose to receive payment through the electronic funds transfer system rather than by warrant among the payments for which the comptroller is required to use the electronic fund transfer system. Requires the comptroller to issue a warrant to pay a person if the person chooses to receive the payment by warrant.

SECTION 2. Repealer: Section 403.016(k), Government Code (comptroller required to issue a warrant for certain purchases).

SECTION 3. Emergency clause.
Effective date: upon passage.