

BILL ANALYSIS

Senate Research Center

S.B. 1556
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Veteran Affairs & Military Installations
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As Filed

DIGEST AND PURPOSE

Currently, the aggregate amount of revenue bonds issued by the Veterans' Land Board (VLB) may not exceed \$250 million. Of that amount, the VLB currently has a remaining \$50 million in authority. In connection with the VLB's housing program, revenue bonds are typically issued to supplement the amounts available to the VLB through its general obligation bonding authority. Over the next four years, the VLB expects that it will need to issue up to \$1 billion in revenue bonds, in addition to the \$1 billion in general obligation bonds that it expects to issue over the same period, to provide the funding necessary to meet the expected demand for home mortgage loans by Texas veterans. As proposed, S.B. 1556 removes the wording that limits the issuance of bonds to \$250 million. All other condition of the issuance of bonds remain intact. The issuance of bonds will still require the approval of the Bond Review Board.

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 164.007, Natural Resources Code, by deleting text providing that bonds issued for a purpose other than buying back or refunding general obligation bonds may not in the aggregate exceed \$250 million.

SECTION 2. Effective date: upon passage.