

## **BILL ANALYSIS**

Senate Research Center

H.B. 892  
By: Hilderbran (Fraser)  
Intergovernmental Relations  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Under current law, county treasurers are not required to make a timely deposit of funds that are received by other county officers. Section 113.022 (Time for Making Deposits), Local Government Code, requires a county officer who receives funds to deposit those funds with the county treasurer on or before the next regular business day. Furthermore, if this deadline cannot be met, the county officer is required to deposit the funds no later than the seventh business day after they are received.

H.B. 892 requires a county treasurer to make timely deposits in the same manner as other county officers.

### **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 113.022, Local Government Code, as follows:

Sec. 113.022. TIME FOR MAKING DEPOSITS. (a) Creates this subsection from existing text.

(b) Requires a county treasurer to deposit the funds received under Subsection (a) (regarding funds received by a county officer) in the county depository in accordance with Section 116.113(a) (regarding the deposit of county funds). Requires the county treasurer, in all cases, to deposit the funds on or before the seventh business day after the date the treasurer receives the funds.

SECTION 2. Amends Sections 116.021(a) and (b), Local Government Code, as follows:

(a) Requires the commissioners court of a county to contract with one or more banks in the county and enter a contract with each selected bank for the deposit of the county's public funds. Authorizes a contract with a bank under this section to be renewed for two years under terms negotiated by the commissioners court on expiration of the contract. Deletes existing text requiring the commissioners court of a county to contract with one or more banks in the county at its May regular term immediately following each general election for state and county officers.

(b) Requires a four-year term contract to allow the county, rather than bank, to establish, on the basis of negotiations with the bank, rather than county, new interest rates and financial terms of the contract that will take effect during the final two years of the four-year contract. Deletes existing text relating to additional conditions for this subsection to apply.

SECTION 3. Amends Section 116.022(a), Local Government Code, to require the county judge, once each week for at least 20 days before the date of a meeting of the, rather than before the May regular term of a commissioners court at which the court will make a depository contract, to place over the judge's name in a newspaper published in the county a notice that the commissioners court intends to make the contract.

SECTION 4. Amends Section 116.023(a), Local Government Code, to require a bank in the county that wants to be a county depository to deliver its application to the county judge on or before a date set by the commissioners court, rather than on or before the first day of the term of the commissioners court at which depositories are to be selected.

SECTION 5. Amends Section 116.024(a), Local Government Code, to require the commissioners court to perform certain duties at the meeting, rather than at 10 a.m. on the first day of each term, at which banks are to be selected as county depositories.

SECTION 6. Amends Sections 117.021(a) and (c), Local Government Code, as follows:

(a) Requires the county to contract with a federally insured bank or banks under this section (Applications) and enter into a contract with each selected bank for a two-year or four-year term. Authorizes the contract to be renewed for two years under terms negotiated by the commissioners court on expiration of a contract under this subsection. Deletes existing text requiring the commissioners court of a county to receive an application from a federally insured bank or banks in the county to be the depository for a special account held by the county clerk and the district clerks at its May regular terms after a general election for state and county officers.

(c) Requires a bank to file its application to be the depository for a special account held by the county clerk and the district clerks on or before a date set by the commissioners court, rather than 10 a.m. on the first day of the term.

SECTION 7. Amends Section 117.023(a), Local Government Code, to make a conforming change.

SECTION 8. Amends Section 117.025(b), Local Government Code, to provide that a designation under Subsection (a) (regarding a designation of a bank as the depository for the registry funds) is effective until the designation and qualification of a successor depository or until April 15 following the expiration of the contract, rather than the term in which a depository is required to be selected under this subchapter, whichever is earlier.

SECTION 9. Repealer: Sections 116.021(c) (relating to depository and subdepository contracts) and 117.021(d) (relating to applications to be the depository for a special account held by the county clerk and the district clerks), Local Government Code.

SECTION 10. Effective date: September 1, 2007.