

## **BILL ANALYSIS**

Senate Research Center  
82R13855 RWG-F

S.B. 1829  
By: Wentworth  
Open Government  
4/5/2011  
As Filed

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

Chambers of commerce and nonprofit organizations such as the Greater Houston Partnership (GHP) (hereafter "chambers"), have been engaged in economic development activities longer and more intensively than have local city and county governments. As cities and counties have more aggressively pursued promotion of economic development, they often turn to the chambers to assist in these efforts by contracting for services. The attorney general has ruled that these contracts subject the chambers to having all the chambers' private records (including correspondence, personnel and financial records) subject to public disclosure under the Texas Public Information Act (TPIA). In Section 552.003(1)(a)(xii), Government Code, TPIA defines "governmental body" to include, "the part, section, or portion of an organization, corporation, commission, committee, institution, or agency that spends or that is supported in whole or in part by public funds."

The attorney general has ruled that because cities/counties and chambers share the "common purpose" of promoting economic development, the chambers are "supported" with public funds and become "governmental bodies" under the TPIA because they receive payments of public funds to provide economic development services to the cities/counties. For example, the attorney general ruled that, because of economic development contracts with cities, the Arlington Chamber of Commerce (OR 2004-5295) and GHP are TPIA governmental bodies. A Travis County district court decided that the Arlington chamber is not a governmental body, but another district court decided that GHP is a governmental body. The latter case is being appealed, but no published decision has settled the issue of whether development contracts make chambers' internal records subject to the TPIA.

Such exposure of the chambers' private records is not appropriate and can actually undermine efforts to recruit and retain businesses in Texas. To promote continuation of such public-private efforts for economic development, legislation is needed to clarify that a contract between a government agency and a chamber of commerce for economic development services does not subject the chamber to the provisions of the TPIA regarding chambers' internal records. Records in the hands of the cities or counties would not be affected by S.B. 1829 and would still be subject to disclosure under the terms of TPIA.

As proposed, S.B. 1829 amends current law relating to excluding certain entities from the definition of a governmental body for the purposes of the public information law.

### **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 552.003(1), Government Code, to redefine "governmental body" to provide that the term does not include a chamber of commerce or a nonprofit corporation that provides economic development services to a governmental body.

SECTION 2. Effective date: September 1, 2011.