

BILL ANALYSIS

Senate Research Center

H.B. 1572
By: Davila (Luna)
State Affairs
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Engrossed

DIGEST

Currently, the large amount of state dollars invested in technical equipment for non-profit organizations is allowed to be disposed of without restriction once the organization has obtained newer equipment. There are concerns that similar organizations could utilize the discarded equipment if it is still operable, and therefore may not have to request additional funds from the state. This bill sets forth provisions regarding the disposal of certain property by a charitable organization.

PURPOSE

As proposed, H.B. 1572 sets forth provisions regarding the disposal of certain property by a charitable organization.

RULEMAKING AUTHORITY

Rulemaking authority is granted in SECTION 1 (Art. 9023d(f), V.T.C.S.) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 132, V.T.C.S. by adding Article 9023d, as follows:

Art. 9023d. DISPOSAL OF COMPUTER EQUIPMENT BY CHARITABLE ORGANIZATION. Defines "computer equipment" and "charitable organization." Prohibits a charitable organization that expends funds received from the state, whether by appropriation, grant, or otherwise, to purchase computer equipment from disposing of or discarding the equipment before the fourth anniversary of the date the organization purchased the equipment. Provides that this article does not prohibit certain sales and disposal of equipment. Authorizes a charitable organization to dispose of computer equipment purchased with state funds within the four-year period after the date of purchase by donating the equipment to another charitable organization. Provides that this article applies only to computer equipment that a charitable organization purchases for at least \$500. Requires the comptroller to adopt rules to implement this article.

SECTION 2. Effective date: September 1, 1997.
Makes application of this Act prospective.

SECTION 3. Emergency clause.