

## **BILL ANALYSIS**

Senate Research Center  
77R10516 JMG-F

C.S.S.B. 1081  
By: Shapiro  
Intergovernmental Relations  
3/28/2001(REVISED)  
Committee Report (Substituted)

### **DIGEST AND PURPOSE**

Under current law, a cultural educational facilities finance corporation is required to issue one bond for each project undertaken. This requires duplication of efforts and resources for legal fees and other costs associated with the bond financing program. C.S.S.B. 1081 amends the Cultural Education Facilities Finance Corporation Act and allows a single bond issuer to provide bond financing for more than one project.

### **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 4, Cultural Education Facilities Finance Corporation Act (Article 1528m, V.T.C.S.), as follows:

Sec. 4. New heading: CREATION OF CORPORATIONS; POWERS; ISSUANCE OF BONDS; TAX EXEMPTION. (b) Requires the corporation to be created and organized in the same manner and have the same powers, authority, and rights with respect to cultural facilities and health facilities that a health facilities development corporation has with respect to health facilities under Chapter 221 (Health Facilities Development Act), Health and Safety Code, and with respect to educational facilities, housing facilities, and other facilities incidental, subordinate, or related to those facilities that a nonprofit corporation created under Section 53.35(b) (Administrative Provisions), Education Code, or an authority created under Section 53.11 (Creation of Authority), Education Code, has under Chapter 53 (Higher Education Authorities), Education Code.

(c) Provides that the powers of a corporation under this section include the power to perform certain procedures.

(d) Authorizes the authority of the corporation, regardless of any provision in Chapter 221 (Health Facilities Development Act), Health and Safety Code, or Chapter 53, Education Code, to be exercised inside or outside the limits of the city or county that created the corporation without the consent or other action of any person that would otherwise be required under Chapter 221, Health and Safety Code, or Chapter 53, Education Code, unless the articles of incorporation or bylaws of the corporation provide differently. Requires the authority of a corporation under this section to not preempt the police powers of any sponsoring entity or any other laws regulating or empowering sponsoring entities to regulate the activities of the corporation. Deletes "cultural." Makes conforming changes.

SECTION 2. Effective date: upon passage or September 1, 2001.

## **SUMMARY OF COMMITTEE CHANGES**

SECTION 1. Amends As Filed S.B. 1081, Section 4, Cultural Education Facilities Finance Corporation Act (Article 1528m, V.T.C.S.), as follows:

- Adds new proposed language in Subsection (b) regarding an authority created under Section 53.11, Education Code.
- Deletes previously proposed Subsection (d) regarding property and renumbers previous Subsection (e) as (d).
- Adds new language in renumbered Subsection (d) regarding the authority of the corporation.