

By: Cain, Frazier, et al.

H.B. No. 1038

A BILL TO BE ENTITLED

AN ACT

relating to a biennial report on state lending and credit support programs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter D, Chapter 1231, Government Code, is amended by adding Section 1231.064 to read as follows:

Sec. 1231.064. BIENNIAL REPORT ON STATE LENDING AND CREDIT SUPPORT PROGRAMS. (a) In this section:

(1) "Credit support program" means a program under which this state guarantees or provides credit enhancements for the debt of any public or private entity, including providing support for interest or principal payments, in a manner that obligates this state to pay any part of the principal or interest on that debt if the entity defaults.

(2) "Lending program" means a program through which state money is loaned, or otherwise provided with the expectation of repayment, to a public or private entity.

(b) Not later than December 31 of each even-numbered year, the board shall submit to the legislature and post on the board's Internet website a report on all lending programs and credit support programs in this state. The report must include:

(1) the total amount of state money lent through lending programs;

(2) the total amount of debt supported by credit

1 support programs; and

2 (3) for each lending program or credit support
3 program:

4 (A) the total amount of state money lent through
5 or debt supported by the program, as applicable;

6 (B) a citation to the law authorizing the
7 program; and

8 (C) a reasonable estimate of the costs of default
9 associated with the program, computed in accordance with
10 private-sector accounting standards for credit or other losses.

11 (c) A state agency or political subdivision of this state
12 shall provide to the board in the manner provided by board rule any
13 information necessary for the board to prepare the report required
14 by this section.

15 SECTION 2. This Act takes effect September 1, 2023.