

BILL ANALYSIS

H.B. 18
By: Swinford
Government Reform
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Many states, local governments, and school districts utilize lease-purchases as finance solutions in tough budgetary times. The use of lease-purchases has expanded from essential equipment, vehicles, and software to office space, prisons and schools. Lease-purchase agreements for buildings and facilities provide quick or immediate access to needed space with little up-front cash.

As proposed, HB 18 would allow the Texas Department of Transportation to enter into a lease-purchase agreement for a Houston District Office to be constructed on land currently owned by the Department.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

HB 18 allows TXDOT to contract with a private entity for the construction of a district office in Harris County and to have a lease-purchase option on the building.

EFFECTIVE DATE

December 1, 2003.