

BILL ANALYSIS

S.B. 902
By: Staples
Financial Institutions
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Current law permits counties, school districts, and municipalities to enter into contracts with their respective depositories for a term of one to five years or to extend such contracts for an additional two years. Appraisal districts may enter into a two-year contract with a depository, but there is not the same opportunity for extending the contract by two years.

S.B. 902 permits an appraisal district and a depository to extend a two-year depository contract for an additional two-year period.

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

S.B. 902 amends Section 6.09, Tax Code, to permit the board of an appraisal district and a depository to extend a depository contract for one additional two-year period. The bill requires a depository, once designated as such by the appraisal district, to serve for a two-year term and until a successor has been designated and qualified.

EFFECTIVE DATE

On passage or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.