

## **BILL ANALYSIS**

S.B. 1128  
By: Hegar  
Land & Resource Management  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The Office of Rural Community Affairs (ORCA) provides grant writing and grant compliance assistance to rural communities, hospitals, schools, or health-care providers who are attempting to find funding for a variety of projects. The 77th Legislature created the Rural Foundation as a non-profit foundation because some grants prohibit a governmental entity from receiving grant money. The 78th Legislature clarified that the Rural Foundation could apply for grants for economic development programs in rural areas as the original legislation intended. The executive committee of ORCA believes that a broader representation on the board of directors of the Rural Foundation would be helpful in fulfilling its duty of raising funds to assist in the financing of health, community, and economic development programs in rural areas.

The purpose of S.B. 1128 is to change the Rural Foundation's name to conform with the commonly used reference to the Rural Foundation, the Texas Rural Foundation, and to authorize the expansion of the current board of directors of the Texas Rural Foundation from five members to an odd number of at least nine, but not more than fifteen members.

### **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**

This bill transfers Chapter 110, Health and Safety Code, to Chapter 487, Government Code, and redesignates it as Subchapter P, Chapter 487, Government Code, with conforming changes such as changing references to the name Rural Foundation to now read Texas Rural Foundation.

This bill amends the new Section 487.703, Government Code, to provide that the Texas Rural Foundation is governed by a board of an odd number of at least nine and not more than 15 (instead of five), directors appointed by the executive committee of the ORCA, and deletes the requirement that the directors be selected from individuals recommended by the executive director of the ORCA.

This bill amends Section 487.056(a), Government Code, to make a conforming change by changing references to the name Rural Foundation to now read Texas Rural Foundation.

This bill provides that the name of the Rural Foundation is changed to the Texas Rural Foundation, and that any reference in law to the Rural Foundation means the Texas Rural Foundation.

This bill requires that as soon as practicable after the effective date of this Act, the executive committee of the ORCA to appoint the additional members of the board of directors of the Texas Rural Foundation as provided by Section 487.703, Government Code, as added by this Act. In making the appointments, the executive committee shall assign the lengths of the terms of the additional members to meet the staggered six-year term requirement under Subsection (b), Section 487.703, Government Code, as added by this Act.

This bill provides for an effective date of September 1, 2007.

### **EFFECTIVE DATE**

September 1, 2007.

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