

BILL ANALYSIS

Senate Research Center

S.B. 1128
By: Hegar
S/C on Ag., Rural Affairs & Coastal Resources
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the Office of Rural Community Affairs (office) 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, Regular Session, 2001, created the Rural Foundation as a non-profit foundation because some grants prohibit a governmental entity from receiving grant money. The 78th Legislature, Regular Session, 2003, 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 the office 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 the rural areas of this state.

As proposed, S.B. 1128 changes the Rural Foundation name to conform with the commonly used reference to the Rural Foundation, the Texas Rural Foundation. This bill also authorizes 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

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Transfers Chapter 110, Health and Safety Code, to Chapter 487, Government Code, redesignates it as Subchapter P, Chapter 487, Government Code, and amends it, as follows:

SUBCHAPTER P. TEXAS RURAL FOUNDATION

Sec. 487.701. CREATION OF FOUNDATION. Creates this section from existing text. Redesignates the Rural Foundation as the Texas Rural Foundation (foundation).

Sec. 487.702. POWERS AND DUTIES. Creates this section from existing text. Makes conforming changes.

Sec. 487.703. BOARD OF DIRECTORS. Creates this section from existing text. Provides that the foundation is governed by a board of an odd number of at least nine and not more than 15 directors appointed by the executive committee of the Office of Rural Community Affairs (committee), rather than five directors appointed by the committee from individuals recommended by the executive director of the Office of Rural Community Affairs. Makes conforming changes.

Sec. 487.704. RESTRICTIONS ON BOARD APPOINTMENT, MEMBERSHIP, AND EMPLOYMENT. Creates this section from existing text. Makes conforming changes.

Sec. 487.705. REMOVAL OF BOARD MEMBER. Creates this section from existing text. Makes conforming changes.

Sec. 487.706. VACANCY. Creates this section from existing text. Makes a conforming change.

Sec. 487.707. OFFICERS. Creates this section from existing text. Makes a conforming change.

Sec. 487.708. MEETINGS. Creates this section from existing text. Makes a conforming change.

Sec. 487.709. TAX EXEMPTION. Creates this section from existing text. Makes a conforming change.

Sec. 487.710. MEMORANDUM OF UNDERSTANDING. Creates this section from existing text. Makes a conforming change.

Sec. 487.711. RECORDS. Creates this section from existing text. Makes conforming changes.

Sec. 487.712. REPORT TO OFFICE OF RURAL COMMUNITY AFFAIRS. Creates this section from existing text. Makes a conforming change.

Sec. 487.713. PROHIBITED USE OF FUNDS. Creates this section from existing text. Makes a conforming change.

SECTION 2. Amends Section 487.056(a), Government Code, to make a conforming change.

SECTION 3. (a) Provides that the name of the Rural Foundation is changed to the Texas Rural Foundation.

(b) Provides that any reference in law to the Rural Foundation means the Texas Rural Foundation.

SECTION 4. Requires the committee to appoint the additional members of the board of directors of the foundation as provided by Section 487.703, Government Code, as added by this Act, as soon as practicable after the effective date of this Act. Requires the committee, in making the appointments, to assign the lengths of the terms of the additional members to meet the staggered six-year term requirement under Section 487.703(b), Government Code, as added by this Act.

SECTION 5. Effective date: September 1, 2007.