

BILL ANALYSIS

H.B. 1791
By: Jones
Urban Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The City of Lubbock Cemetery is a conglomeration of several different cemeteries and has interments dating back to the late 1800s. The city took its first ownership interest in the real property constituting part of the cemetery in 1948 and since has acquired several more sections of the modern cemetery in piecemeal fashion. Some of these sections previously were operated by private, for-profit entities, or by nonprofit organizations now defunct, and some had unfunded perpetual trust funds associated with them before the city's acquisition of them. The city has collected a 10 percent "fee" on each sale of cemetery property, and has placed that fee into a segregated perpetual trust fund, which currently has a principle balance of approximately \$110,000. Operational and maintenance costs for the cemetery were more than \$715,000 in fiscal year 2008, so any expendable interest earned on the trust's principal is comparatively miniscule, and of no real benefit in accomplishing the fund's purpose.

If authorized, the city could use the trust fund principal to offset part of the escalating maintenance costs, or to complete several unfunded but worthy renovation projects on the cemetery grounds. Such a use would be much more immediate and consequential, and would be in keeping with the original, underlying purpose of the trust fund. Current law authorizes certain municipalities to abolish their perpetual trust funds for cemeteries and to use the funds' principal and interest for permanent improvements to the cemetery.

H.B. 1791 extends this authority to abolish a perpetual cemetery trust fund and to redirect the fund's principal and interest toward permanent improvements for the cemetery property, to other large municipalities by raising the upper county population limit from 133,000 to 300,000.

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

H.B. 1791 amends the Health and Safety Code to authorize a municipality in a county with a population of at least 128,000 and a maximum county population of 300,000, rather than a maximum county population of 133,000, to abolish the municipality's perpetual trust fund for a cemetery and to use the fund for permanent improvements to the cemetery.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.