

BILL ANALYSIS

S.B. 1035
By: Hinojosa
Culture, Recreation & Tourism
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The 77th Legislature, Regular Session, 2001, amended portions of the civil statutes relating to cultural education facilities finance corporations, enabling those corporations to finance health care facilities in the same manner as health facilities development corporations under state law. The amendment similarly authorized corporations located in counties with a population greater than 400,000 to finance facilities both inside and outside the boundaries of the sponsoring entity. The Coastal Bend Health Facilities Development Corporation, in Corpus Christi, provides financing for health facility development, but most current projects involve clinics and facilities in other areas that need to be consolidated into a single financing entity in order to save financing costs. Since Corpus Christi is in a county of 317,000, it is unable to compete with cultural education finance corporations because those corporations can more easily finance health care facilities outside the sponsoring jurisdiction.

S.B. 1035 lowers from 400,000 to 300,000 the minimum population a county must have for a cultural education facilities finance corporation to exercise its authority inside or outside the limits of the city or county that created the corporation.

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. 1035 amends the Cultural Education Facilities Finance Corporation Act to decrease from 400,000 to 300,000 the minimum population a county must have for a cultural education facilities finance corporation to exercise its authority inside or outside the limits of the city, if the city created the corporation, or to exercise its authority inside or outside the limits the county, if the county created the corporation.

EFFECTIVE DATE

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