

BILL ANALYSIS

Senate Research Center
86R27344 SLB-F

C.S.S.B. 2072
By: Taylor
Intergovernmental Relations
4/25/2019
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Gulf Coast Authority (GCA) has the authority to own and operate regional industrial and municipal wastewater treatment plants, water systems, and solid waste facilities statewide and also to issue bonds for a variety of projects.

In addition, GCA supports Texas economic development and environmental protection by providing financing services. They have issued over \$3 billion in private activity bonds. They have also issued industrial development bonds for small manufacturers in Galveston, Harris, and Chambers Counties. GCA is currently working on several projects to help attract industry to our state.

In C.S.S.B. 2072, GCA is seeking the ability to use PACE financing and act in its current capacity as a conduit financier for projects located out of the state in order to continue to encourage development and meet the demands of requests by current and potential customers.

C.S.S.B. 2072 amends current law relating to the authority of a development corporation created by the Gulf Coast Authority to finance certain projects.

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. Amend Section 3.01, Chapter 409, Acts of the 61st Legislature, Regular Session, 1969, by adding Subsection (g), as follows:

(g) Authorizes a development corporation created by the Gulf Coast Authority (GCA) under Chapter 501 (Provisions Governing Development Corporations), Local Government Code, to finance:

- (1) projects described by Subchapter C (Authorized Projects), Chapter 501, Local Government Code, located inside or outside this state; and
- (2) qualified improvements as defined by Section 399.002 (Definitions), Local Government Code, located inside or outside this state in the same manner and to the same extent as a municipality or county may do so under Chapter 399 (Municipal and County Water and Energy Improvement Regions) of that code.

SECTION 2. Effective date: September 1, 2019.