

BILL ANALYSIS

C.S.H.B. 751
By: Israel
County Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Public Property Finance Act allows governmental entities to finance purchases of personal property, including computer hardware and equipment, but not cloud computing services. These services are increasingly replacing computer hardware for data storage, cybersecurity enhancements, and processing and can offer governmental entities the ability to decrease costs and deploy systems more efficiently. C.S.H.B. 751 seeks to provide for the financing of cloud computing services by amending the definition of personal property in the act in order to save taxpayer money and give governmental entities another option for securing technology tools to more efficiently run operations.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

C.S.H.B. 751 amends the Local Government Code to include cloud computing services as personal property for which the governing body of a governmental agency may contract under the Public Property Finance Act. The bill does this by amending the definition of "personal property" and establishes legislative intent that the term's definition as amended is applicable only to the act.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 751 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes a provision establishing legislative intent that the amended definition of "personal property" is applicable only to the Public Property Finance Act.