

BILL ANALYSIS

Senate Research Center
88R699 SGM-D

S.B. 158
By: Perry
Local Government
2/27/2023
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In most cases, counties are required to deposit county funds in a bank within the county. In rural Texas there are many counties that only have one bank in the whole county and sometimes the single bank is not interested in being the county bank. This bill would allow counties to deposit county funds in a bank outside the county.

As proposed, S.B. 158 amends current law relating to the location of a bank eligible to be selected as a depository or subdepository of county public money, including money held by a county or district clerk.

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. Amends Section 116.021(a), Local Government Code, as follows:

- (a) Requires the commissioners court of a county to select by the process provided by Subchapter B (Establishment of Depository) or by Subchapter C (Competitive Bidding in General), Chapter 262, one or more banks in this state, rather than in the county, and enter a contract with each selected bank for the deposit of the county's public funds.

SECTION 2. Amends Sections 116.023(a) and (d), Local Government Code, to make conforming changes.

SECTION 3. Amends Section 116.027(a), Local Government Code, as follows:

- (a) Requires the commissioners court to deposit the funds of the county with any one or more banks in this state, rather than in the county or in the adjoining counties, in the amounts and for the periods as the commissioners court considers advisable if no application to be a county depository is submitted or if all the applications are declined.

SECTION 4. Amends Section 116.116(b), Local Government Code, to make a conforming change.

SECTION 5. Amends Section 117.021(a), Local Government Code, to make a conforming change.

SECTION 6. Amends Section 117.113, Local Government Code, as follows:

- Sec. 117.113. DEPOSITORY CONTRACT. Makes a conforming change to this section.

SECTION 7. Amends Section 117.115, Local Government Code, as follows:

- Sec. 117.115. APPLICATIONS. Makes a conforming change to this section.

SECTION 8. Repealers: Sections 116.026 (Applicants Outside County) and 117.026 (Advertisement for and Selection of Depository Outside the County), Local Government Code.

SECTION 9. Effective date: September 1, 2023.