

## **BILL ANALYSIS**

C.S.H.B. 3614  
By: Cain  
Ways & Means  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

While Texas is a state with a strong reputation for fiscal probity due to decades of responsible and transparent budgeting, the state could do more to increase transparency regarding state lending and credit support programs. The comptroller of public accounts produces annual financial reports that detail lending and assets of major state lending programs such as the Veterans Housing Assistance Program, the State Infrastructure Bank, and the Rural Water Assistance Fund, but those same reports aggregate several state lending programs into single lines totaling billions of dollars, sometimes combined with other asset types such as contracts. Although these programs offer vital assistance to Texans and their local governments, transparency and adequate oversight are still needed. C.S.H.B. 3614 seeks to ensure that taxpayers, legislators, and bond buyers all understand the risks and rewards of the state's lending and credit support programs by requiring the Bond Review Board to submit a biennial report on these programs that details, among other information, the amount of state money lent through or debt supported by each program and improved estimates of default costs.

### **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 rulemaking authority is expressly granted to the Bond Review Board in SECTION 1 of this bill.

### **ANALYSIS**

C.S.H.B. 3614 amends the Government Code to require the Bond Review Board, not later than December 31 of each even-numbered year, to submit to the legislature and post on the board's website a report on all lending programs and credit support programs in Texas. The bill sets out the required contents of the report and requires a state agency or political subdivision to provide to the board, in the manner provided by board rule, any information necessary to prepare the report.

### **EFFECTIVE DATE**

September 1, 2021.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3614 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 changes the entity to which the reporting requirement applies from the comptroller of public accounts to the Bond Review Board.

The substitute changes the frequency and deadline of the report from an annual report due as soon as practicable after the end of each state fiscal year to a biennial report due not later than December 31 of each even-numbered year. The substitute changes the caption to reflect this change.