

## **BILL ANALYSIS**

Senate Research Center

H.B. 1879  
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Finance  
5/2/1999  
Engrossed

### **DIGEST**

The purpose of the Texas Public Finance Authority Act (TPFA) is to provide a method of financing for the acquisition or construction of buildings for certain counties and for the purchase or lease of equipment by state agencies in the executive or judicial branches of state government. There is concern relating to the requirements and the application of the open meetings law with regard to final negotiations for the sale of bonds. Discussion of such matters in open session may detrimentally affect TPFA's negotiations with third parties and give an advantage to other bidders or competitors. Currently, governmental bodies may meet in executive session to discuss personnel matters, real estate transactions, and litigation. This bill would exempt a pricing subcommittee of TPFA from the application of the open meetings law and would authorize the board of TPFA to delegate authority to negotiate contracts without invoking the open meetings regulations.

### **PURPOSE**

As proposed, H.B. 1879 exempts a pricing subcommittee of TPFA from the application of the open meetings law and authorizes the board of TPFA to delegate authority to negotiate contracts without invoking the open meetings regulations.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 6, Article 601d, V.T.C.S., by adding Subsection (d), to provide that a subcommittee of the board of directors (board) of the Texas Public Finance Authority (TPFA), appointed by the board pursuant to Section 3, Article 717q, V.T.C.S., is not subject to Chapter 551, Government Code, when it is acting to price and sell the obligations of TPFA in accordance with parameters for the issuance established by the board.

SECTION 2. Amends Section 23(b), Article 601d, V.T.C.S., to authorize that the process of acquiring or constructing a building or purchasing or leasing equipment to begin after TPFA has certified that bonds or obligations, rather than obligations only, in the amount described by this subsection, have been approved by the Texas Bond Review Board in addition to having been authorized for issuance by TPFA. Deletes existing text regarding interim construction finance agreements.

SECTION 3. Repealer: Section 6, Article 601d-1, V.T.C.S. (Amount of Outstanding Bonds).

SECTION 4. Amends Section 21, Article 601d, V.T.C.S., to authorize the board, among other powers, to delegate authority to negotiate contracts to its employees or members. Prohibits such negotiations from being considered a meeting or deliberation.

SECTION 5. Emergency clause.  
Effective date: upon passage.