

## **BILL ANALYSIS**

Senate Research Center

S.B. 762  
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Finance  
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As Filed

### **DIGEST**

Currently, the Texas Department of Economic Development operates the Business Development Linked Deposit Program (BDLDP). The BDLDP is used to encourage commercial lending for the development of certain small businesses. The comptroller of public accounts places a linked deposit with eligible lending institutions that have received an approved loan application from an eligible borrower. Linked deposits are earning approximately 2.1 percent less than other state treasury returns. S.B. 762 would prohibit more than \$6 million from being placed in linked deposits.

### **PURPOSE**

As proposed, S.B. 762 limits the amount of funds placed in linked deposits.

### **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 481.197, Government Code, to prohibit more than \$6 million, rather than \$3 million, from being placed in linked deposits under this chapter.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.