

## **BILL ANALYSIS**

Senate Research Center  
77R2540 JD-D

S.B. 463  
By: Shapleigh  
State Affairs  
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As Filed

### **DIGEST AND PURPOSE**

Under current law, counties must issue traditional forms of indebtedness such as tax anticipation notes or bonds to sell to the Texas Department of Transportation's State Infrastructure Bank (SIB) in order to acquire funding for local transportation infrastructure projects. This is often a cumbersome and more expensive approach to borrowing than entering into a direct loan program. As proposed, S.B. 463 authorizes counties to borrow via direct loan agreements with the SIB.

### **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 Chapter 222D, Transportation Code, by adding Section 222.0745, as follows:

Sec. 222.0745. **AUTHORITY OF COUNTY TO BORROW FROM BANK.** Authorizes a county to borrow funds for road and bridge construction from the State Infrastructure Bank (bank) and repay the bank with the proceeds of ad valorem taxes imposed by the county for that purpose over a term of years without issuing bonds or other obligations evidencing the loan.

SECTION 2. Effective date: upon passage or September 1, 2001.