

AN ACT

relating to the creation and maintenance of a database of information regarding certain local economic development agreements; providing a civil penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 403, Government Code, is amended by adding Sections 403.0246 and 403.0247 to read as follows:

Sec. 403.0246. LOCAL DEVELOPMENT AGREEMENT DATABASE. (a)

In this section:

(1) "Business day" means a day other than a Saturday, Sunday, or state or national holiday.

(2) "Local development agreement" means:

(A) an agreement entered into by a municipality under Section 380.001 or 380.002, Local Government Code;

(B) an agreement entered into by a county under Section 381.004, Local Government Code; or

(C) any other agreement to grant or otherwise commit public money or other resources for economic development purposes by a local government under Chapter 380 or 381, Local Government Code.

(3) "Local government" includes:

(A) a municipality;

(B) a county;

1 (C) a county industrial commission under Section
2 381.001, Local Government Code; or

3 (D) a board of development under Section 381.002,
4 Local Government Code.

5 (b) The comptroller shall create and make accessible on the
6 Internet a database, to be known as the Chapter 380 and 381
7 Agreement Database, that contains information regarding all local
8 development agreements in this state.

9 (c) For each local development agreement described by
10 Subsection (b), the database must include:

11 (1) the name of the local government that entered into
12 the agreement;

13 (2) a numerical code assigned to the local government
14 by the comptroller;

15 (3) the address of the local government's
16 administrative offices and public contact information;

17 (4) the name of the appropriate officer or other
18 person representing the local government and that person's contact
19 information;

20 (5) the name of any entity that entered into the
21 agreement with the local government;

22 (6) the date on which the agreement went into effect
23 and the date on which the agreement expires;

24 (7) the focus or scope of the agreement;

25 (8) an electronic copy of the agreement; and

26 (9) the name and contact information of the individual
27 reporting the information to the comptroller.

1 (d) The comptroller may consult with the appropriate
2 officer of, or other person representing, each local government
3 that enters into a local development agreement to obtain the
4 information necessary to operate and update the database.

5 (e) The comptroller shall enter into the database for access
6 by the public the information described by Subsection (c) not later
7 than the 15th business day after the date the comptroller receives
8 the information from the providing local government. The
9 information, including a copy of the agreement, must remain
10 accessible to the public through the database during the period the
11 agreement is in effect.

12 (f) The comptroller may not charge a fee to the public to
13 access the database.

14 (g) The comptroller may establish procedures and adopt
15 rules to implement this section.

16 Sec. 403.0247. NONCOMPLIANCE; CIVIL PENALTY. (a) In this
17 section, "local development agreement" has the meaning assigned by
18 Section 403.0246.

19 (b) If a local government that enters into a local
20 development agreement has not complied with a requirement to
21 provide information under Section 403.0246 of this code or Section
22 380.004 or 381.005, Local Government Code, the comptroller shall
23 send a notice to the local government. The notice must be in
24 writing, describe the information that must be submitted to the
25 comptroller, and inform the local government that if the
26 information is not provided on or before the 30th day after the date
27 the notice is provided, the local government will be subject to a

1 civil penalty of \$1,000.

2 (c) If a local government does not report the required
3 information as prescribed by Subsection (b), the local government
4 is liable to the state for a civil penalty of \$1,000.

5 (d) The attorney general may sue to collect a civil penalty
6 imposed under this section.

7 (e) It is a defense to an action brought under this section
8 that the local government provided the required information or
9 documents to the extent the information or documents are not exempt
10 from disclosure or confidential under Chapter 552.

11 SECTION 2. Chapter 380, Local Government Code, is amended
12 by adding Section 380.004 to read as follows:

13 Sec. 380.004. PROVISION OF CERTAIN INFORMATION TO
14 COMPTROLLER. (a) Not later than the 14th day after the date of
15 entering into, amending, or renewing an agreement authorized by
16 this chapter, a municipality shall submit to the comptroller the
17 information described by Section 403.0246(c), Government Code, and
18 any other information the comptroller considers necessary to
19 operate and update the database described by that section.

20 (b) A municipality shall transmit the information required
21 by Subsection (a) in a form and manner prescribed by the
22 comptroller.

23 (c) If a municipality submits an agreement to the
24 comptroller under this section and maintains an Internet website,
25 the municipality shall provide on the website a direct link to the
26 location of the agreement information published on the
27 comptroller's Internet website.

1 SECTION 3. Chapter 381, Local Government Code, is amended
2 by adding Section 381.005 to read as follows:

3 Sec. 381.005. PROVISION OF CERTAIN INFORMATION TO
4 COMPTROLLER. (a) Not later than the 14th day after the date of
5 entering into, amending, or renewing an agreement authorized by
6 this chapter, a county, county industrial commission, or
7 development board, as applicable, shall submit to the comptroller
8 the information described by Section 403.0246(c), Government Code,
9 and any other information the comptroller considers necessary to
10 operate and update the database described by that section.

11 (b) A county, commission, or board shall transmit the
12 information required by Subsection (a) in a form and manner
13 prescribed by the comptroller.

14 (c) If a county or a commission or board created by the
15 county submits an agreement to the comptroller under this section
16 and the county maintains an Internet website, the county shall
17 provide on the website a direct link to the location of the
18 agreement information published on the comptroller's Internet
19 website.

20 SECTION 4. (a) For each agreement described by Section
21 403.0246, Government Code, as added by this Act, that is in effect
22 on the effective date of this Act, the local government that entered
23 into the agreement shall, not later than January 1, 2022, submit to
24 the comptroller the information described by that section and any
25 other information the comptroller considers necessary to operate
26 and update the database required by that section.

27 (b) The comptroller shall publish on the comptroller's

1 Internet website the information received under this section not
2 later than September 1, 2022.

3 SECTION 5. The comptroller shall create and post on the
4 comptroller's Internet website the database required by Section
5 403.0246, Government Code, as added by this Act, not later than
6 September 1, 2022.

7 SECTION 6. The comptroller is required to implement the
8 changes in law made by this Act only if the legislature appropriates
9 money specifically for that purpose. If the legislature does not
10 appropriate money specifically for that purpose, the comptroller
11 may, but is not required to, implement this Act using other
12 appropriations available for that purpose.

13 SECTION 7. This Act takes effect September 1, 2021.

President of the Senate

Speaker of the House

I certify that H.B. No. 2404 was passed by the House on April 7, 2021, by the following vote: Yeas 145, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2404 on May 18, 2021, by the following vote: Yeas 139, Nays 4, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2404 was passed by the Senate, with amendments, on May 14, 2021, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor