

By: Keffer of Eastland

H.B. No. 3323

Substitute the following for H.B. No. 3323:

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C.S.H.B. No. 3323

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Texas Enterprise Fund.

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

SECTION 1. Subchapter E, Chapter 481, Government Code, is amended by adding Section 481.078 to read as follows:

Sec. 481.078. TEXAS ENTERPRISE FUND. (a) In this section, "account" means the Texas Enterprise Fund.

(b) The Texas Enterprise Fund is an account in the general revenue fund.

(c) The account consists of:

(1) money appropriated by the legislature for the purposes of this section; and

(2) gifts, grants, and other donations received by the governor or the department intended for the account.

(d) Money in the account may be used only for economic development, infrastructure development, community development, job training programs, job creation programs, and business incentives. Money in the account may be used by the comptroller temporarily for cash management purposes.

(e) Interest earned on the principal of the account shall be deposited to the credit of the account.

(f) The governor may negotiate on behalf of the state regarding awarding, by grant, money appropriated from the account.

The governor may award money appropriated from the account only

1 with the express written prior approval of the lieutenant governor
2 and the speaker of the house of representatives.

3 (g) Before awarding a grant under this section, the governor
4 may enter into a written agreement with the entity to be awarded the
5 grant money that specifies that:

6 (1) if all or any portion of the amount of the grant is
7 used to build a capital improvement:

8 (A) the state retains a lien or other interest in
9 the capital improvement in proportion to the percentage of the
10 grant amount used to pay for the capital improvement; and

11 (B) the recipient of the grant shall, if the
12 capital improvement is sold:

13 (i) repay to the state the grant money used
14 to pay for the capital improvement, with interest at the rate and
15 according to other terms provided by the agreement; and

16 (ii) share with the state a proportionate
17 amount of any profit realized from the sale; and

18 (2) if, as of a date certain as provided in the
19 agreement, the grant recipient has not used grant money awarded
20 under this section for the purposes for which the grant was
21 intended, the recipient shall repay that amount and any related
22 interest to the state at the agreed rate and terms.

23 SECTION 2. This Act takes effect immediately if it receives
24 a vote of two-thirds of all the members elected to each house, as
25 provided by Section 39, Article III, Texas Constitution. If this
26 Act does not receive the vote necessary for immediate effect, this
27 Act takes effect September 1, 2003.