

By: Keffer of Eastland

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 Sections 481.078 to read as follows:

Sec. 481.078. TEXAS ENTERPRISE FUND. (a) The Texas Enterprise Fund is an account in the general revenue fund.

(b) The following amounts shall be deposited in the fund:

(1) any amounts appropriated by the legislature for the fund;

(2) \$390,000,000 appropriated from the economic stabilization fund; and

(3) gifts, grants, and other donations received for the fund.

(c) The fund may be used for economic development, infrastructure development, community development, job training programs, and business incentives.

(d) Interest earned from the fund account shall be deposited to the economic stabilization fund.

(e) The enterprise fund account may be temporarily used by the Comptroller for cash management purposes.

(f) The Governor shall have authority to negotiate on behalf of the state to grant money from the fund, and may only appropriate funds along with the express written consent of the Lieutenant

1 Governor or Speaker of the House of Representatives.

2 (g) Before granting money from the fund, the Governor may
3 enter into a written agreement with the entity being granted funds
4 specifying that:

5 (1) if all or any portion of the amount of the grant is
6 used to build infrastructure or make any other type of capital
7 improvement, the state must:

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

11 (B) ensure that if the capital improvement is
12 sold, the recipient repays the department, with interest at the
13 agreed rate and terms, any state money used to pay for the capital
14 improvement and shares with this state a proportionate amount of
15 any profit realized from the sale; and

16 (2) if, upon the expiration of a date provided in the
17 agreement, the grant recipient fails to use an amount awarded under
18 this section for any of the purposes for which the grant was
19 intended, the recipient shall repay that amount and any related
20 interest to the state at the agreed rate and terms.

21 SECTION 2. This Act takes effect September 1, 2003.