

By: Kolkhorst

H.B. No. 2928

A BILL TO BE ENTITLED

1 AN ACT

2 relating to projects that may be undertaken by or supported by the  
3 tax proceeds of certain development corporations.

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

5 SECTION 1. Section 2(11), Development Corporation Act of  
6 1979 (Article 5190.6, Vernon's Texas Civil Statutes), is amended to  
7 read as follows:

8 (11) [~~(A)~~] "Project" shall mean:

9 (A) the land, buildings, equipment, facilities,  
10 expenditures, targeted infrastructure, and improvements (one or  
11 more) that are for the creation or retention of primary jobs and  
12 that are found by the board of directors to be required or suitable  
13 for the development, retention, or expansion of manufacturing and  
14 industrial facilities, research and development facilities,  
15 transportation facilities (including but not limited to airports,  
16 ports, mass commuting facilities, and parking facilities), sewage  
17 or solid waste disposal facilities, recycling facilities, air or  
18 water pollution control facilities, facilities for the furnishing  
19 of water to the general public, distribution centers, small  
20 warehouse facilities capable of serving as decentralized storage  
21 and distribution centers, primary job training facilities for use  
22 by institutions of higher education, and regional or national  
23 corporate headquarters facilities; ~~[-]~~

24 (B) [~~"Project" also includes~~] job training

1 required or suitable for the promotion of development and expansion  
2 of business enterprises and other enterprises described by this  
3 Act, as provided by Section 38 of this Act; or [-]

4 (C) [~~"Project" also includes~~] expenditures found  
5 by the board of directors to be required or suitable for  
6 infrastructure necessary to promote or develop new or expanded  
7 business enterprises limited to streets and roads, rail spurs,  
8 water and sewer utilities, electric utilities, gas utilities,  
9 drainage, site improvements, and related improvements, and  
10 telecommunications and Internet improvements.

11 SECTION 2. Section 4B, Development Corporation Act of 1979  
12 (Article 5190.6, Vernon's Texas Civil Statutes), is amended by  
13 adding Subsections (g-1) and (g-2) to read as follows:

14 (g-1)(1) This subsection applies only to a corporation  
15 created by an eligible city that in the preceding two years has  
16 received an average of less than \$50,000 a year from taxes imposed  
17 under this section.

18 (2) A corporation to which this subsection applies may  
19 use the corporation's tax proceeds for any project, including a  
20 project described by Section 2(11)(A) of this Act.

21 (3) A corporation to which this subsection applies may  
22 not undertake a project until the governing body of the eligible  
23 city creating the corporation adopts a resolution authorizing the  
24 project after giving the resolution at least two separate readings.

25 (g-2)(1) This subsection applies only to a corporation  
26 created by an eligible city that in the preceding three years  
27 received an average of less than \$400,000 a year from taxes imposed

1 under this section.

2 (2) A corporation to which this subsection applies may  
3 not use more than 35 percent of the corporation's tax proceeds for  
4 improvement of a building of historic significance located in a  
5 downtown area that is used for a business enterprise.

6 SECTION 3. This Act takes effect September 1, 2005.