

By: Staples

S.B. No. 1318

A BILL TO BE ENTITLED

AN ACT

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

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

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

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

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

(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, elevation, and related improvements, [~~and~~]
10 telecommunications and Internet improvements, sidewalks, and
11 building facades.

12 SECTION 2. Section 4B(a)(2), Development Corporation Act of
13 1979 (Article 5190.6, Vernon's Texas Civil Statutes), is amended to
14 read as follows:

15 (2) "Project" means land, buildings, equipment,
16 facilities, expenditures, and improvements included in the
17 definition of that term under Section 2 of this Act, and includes
18 job training as provided by Section 38 of this Act. For purposes of
19 this section, the term includes recycling facilities, and land,
20 buildings, equipment, facilities, and improvements found by the
21 board of directors to:

22 (A) be required or suitable for use for
23 professional and amateur (including children's) sports, athletic,
24 entertainment, tourist, convention, and public park purposes and
25 events, including stadiums, ball parks, auditoriums,
26 amphitheaters, concert halls, parks and park facilities, open space
27 improvements, museums, exhibition facilities, and related store,

1 restaurant, concession, and automobile parking facilities, related
2 area transportation facilities, and related roads, streets, and
3 water and sewer facilities, and other related improvements that
4 enhance any of those items;

5 (B) promote or develop new or expanded business
6 enterprises that create or retain primary jobs, including a project
7 to provide public safety facilities, streets and roads, drainage
8 and related improvements, demolition of existing structures,
9 general municipally owned improvements, as well as any improvements
10 or facilities that are related to any of those projects and any
11 other project that the board in its discretion determines promotes
12 or develops new or expanded business enterprises that create or
13 retain primary jobs;

14 (C) be required or suitable for the promotion of
15 development and expansion of affordable housing, as defined by 42
16 U.S.C. Section 12745;

17 (D) be required or suitable for the development
18 or improvement of water supply facilities, including dams,
19 transmission lines, well field developments, and other water supply
20 alternatives; ~~or~~

21 (E) be required or suitable for the development
22 and institution of water conservation programs, including
23 incentives to install water-saving plumbing fixtures, educational
24 programs, brush control programs, and programs to replace
25 malfunctioning or leaking water lines and other water facilities;
26 or

27 (F) be required or suitable for the development

1 or expansion of business enterprises that create or retain jobs
2 included in North American Industry Classification System (NAICS)
3 sector number 44-45, Retail Trade, 561591, Convention and Visitors
4 Bureaus, or 62, Health Care and Social Assistance, if the project is
5 undertaken by a corporation created by an eligible city:

6 (i) that in the preceding three years has
7 received an average of less than \$500,000 from taxes imposed under
8 this section; or

9 (ii) that has a population of 50,000 or
10 less.

11 SECTION 3. Section 4B, Development Corporation Act of 1979
12 (Article 5190.6, Vernon's Texas Civil Statutes), is amended by
13 adding Subsection (g-1) to read as follows:

14 (g-1)(1) This subsection applies only to a corporation
15 created by an eligible city:

16 (A) that in the preceding three years has
17 received an average of less than \$500,000 from taxes imposed under
18 this section; or

19 (B) that has a population of 50,000 or less.

20 (2) A corporation to which this subsection applies may
21 not use more than 50 percent of the corporation's tax proceeds for a
22 project other than a project described by Section 2(11) of this Act.

23 SECTION 4. This Act takes effect September 1, 2005.