

1-1 By: Staples S.B. No. 1318
1-2 (In the Senate - Filed March 10, 2005; March 21, 2005, read
1-3 first time and referred to Subcommittee on Emerging Technologies
1-4 and Economic Development; April 11, 2005, reported adversely, with
1-5 favorable Committee Substitute to Committee on Business and
1-6 Commerce; April 18, 2005, reported adversely, with favorable
1-7 Committee Substitute from Committee on Business and Commerce by the
1-8 following vote: Yeas 8, Nays 0; April 18, 2005, sent to printer.)

1-9 COMMITTEE SUBSTITUTE FOR S.B. No. 1318 By: Carona

1-10 A BILL TO BE ENTITLED
1-11 AN ACT

1-12 relating to projects that may be undertaken by or supported by the
1-13 tax proceeds of certain development corporations.

1-14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-15 SECTION 1. Subdivision (11), Section 2, Development
1-16 Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil
1-17 Statutes), is amended to read as follows:

1-18 (11) ~~[(A)]~~ "Project" shall mean:

1-19 (A) the land, buildings, equipment, facilities,
1-20 expenditures, targeted infrastructure, and improvements (one or
1-21 more) that are for the creation or retention of primary jobs and
1-22 that are found by the board of directors to be required or suitable
1-23 for the development, retention, or expansion of manufacturing and
1-24 industrial facilities, research and development facilities,
1-25 transportation facilities (including but not limited to airports,
1-26 ports, mass commuting facilities, and parking facilities), sewage
1-27 or solid waste disposal facilities, recycling facilities, air or
1-28 water pollution control facilities, facilities for the furnishing
1-29 of water to the general public, distribution centers, small
1-30 warehouse facilities capable of serving as decentralized storage
1-31 and distribution centers, primary job training facilities for use
1-32 by institutions of higher education, and regional or national
1-33 corporate headquarters facilities; ~~[-]~~

1-34 (B) ~~["Project" also includes]~~ job training
1-35 required or suitable for the promotion of development and expansion
1-36 of business enterprises and other enterprises described by this
1-37 Act, as provided by Section 38 of this Act; ~~or [-]~~

1-38 (C) ~~["Project" also includes]~~ expenditures found
1-39 by the board of directors to be required or suitable for
1-40 infrastructure necessary to promote or develop new or expanded
1-41 business enterprises limited to streets and roads, rail spurs,
1-42 water and sewer utilities, electric utilities, gas utilities,
1-43 drainage, elevation, and related improvements, ~~[and]~~
1-44 telecommunications and Internet improvements, and sidewalks.

1-45 SECTION 2. Subdivision (2), Subsection (a), Section 4B,
1-46 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas
1-47 Civil Statutes), is amended to read as follows:

1-48 (2) "Project" means land, buildings, equipment,
1-49 facilities, expenditures, and improvements included in the
1-50 definition of that term under Section 2 of this Act, and includes
1-51 job training as provided by Section 38 of this Act. For purposes of
1-52 this section, the term includes recycling facilities, and land,
1-53 buildings, equipment, facilities, and improvements found by the
1-54 board of directors to:

1-55 (A) be required or suitable for use for
1-56 professional and amateur (including children's) sports, athletic,
1-57 entertainment, tourist, convention, and public park purposes and
1-58 events, including stadiums, ball parks, auditoriums,
1-59 amphitheaters, concert halls, parks and park facilities, open space
1-60 improvements, museums, exhibition facilities, and related store,
1-61 restaurant, concession, and automobile parking facilities, related
1-62 area transportation facilities, and related roads, streets, and
1-63 water and sewer facilities, and other related improvements that

2-1 enhance any of those items;
2-2 (B) promote or develop new or expanded business
2-3 enterprises that create or retain primary jobs, including a project
2-4 to provide public safety facilities, streets and roads, drainage
2-5 and related improvements, demolition of existing structures,
2-6 general municipally owned improvements, as well as any improvements
2-7 or facilities that are related to any of those projects and any
2-8 other project that the board in its discretion determines promotes
2-9 or develops new or expanded business enterprises that create or
2-10 retain primary jobs;

2-11 (C) be required or suitable for the promotion of
2-12 development and expansion of affordable housing, as defined by 42
2-13 U.S.C. Section 12745;

2-14 (D) be required or suitable for the development
2-15 or improvement of water supply facilities, including dams,
2-16 transmission lines, well field developments, and other water supply
2-17 alternatives; [~~or~~]

2-18 (E) be required or suitable for the development
2-19 and institution of water conservation programs, including
2-20 incentives to install water-saving plumbing fixtures, educational
2-21 programs, brush control programs, and programs to replace
2-22 malfunctioning or leaking water lines and other water facilities;
2-23 or

2-24 (F) be required or suitable for the promotion of
2-25 new or expanded business development if the project is undertaken
2-26 by a corporation created by an eligible city that in the preceding
2-27 three years has received an average of less than \$400,000 from taxes
2-28 imposed under this section.

2-29 SECTION 3. Section 4B, Development Corporation Act of 1979
2-30 (Article 5190.6, Vernon's Texas Civil Statutes), is amended by
2-31 adding Subsection (g-1) to read as follows:

2-32 (g-1)(1) This subsection applies only to a corporation
2-33 created by an eligible city that in the preceding three years has
2-34 received an average of \$100,000 or more and less than \$400,000 from
2-35 taxes imposed under this section.

2-36 (2) A corporation to which this subsection applies may
2-37 not use more than 35 percent of the corporation's tax proceeds for a
2-38 project described by Subsection (a)(2)(F) of this section.

2-39 SECTION 4. This Act takes effect September 1, 2005.

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