

BILL ANALYSIS

C.S.H.B. 1196
By: Kolkhorst
Economic Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Many Texans are concerned about the impact of illegal immigration and the associated dangers related to the illegal smuggling of humans. The purpose of C.S.H.B. 1196 is to ensure that public funds are not used to encourage illegal immigration into the state by prohibiting any taxpayer-subsidized job-creation grant or tax-abatement being given to any business entity in Texas that is found to be in violation of federal immigration law.

RULEMAKING AUTHORITY

It is the opinion of the committee that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Subtitle F, Title 10, Government Code, by adding Chapter 2264, as follows:

Section. 2264.001. States the definition of "economic development corporation," "public agency," "public subsidy," and "unauthorized alien."

Reserves Sections 2264.002-2264.050 for expansion.

Section 2264.051. Establishes that a public agency, state or local taxing jurisdiction, or economic development corporation (granting entity) shall require businesses applying for public subsidies to include, in applications, a statement certifying that the business does not and will not employ an unauthorized alien.

Section 2264.052. Requires the authorized statement required by Section 2264.051 to contain language that informs the business that if, after receiving a public subsidy, the business is convicted of violating 8 U.S.C. Section 1324a, the business will be required to repay the granting entity the amount of the subsidy given plus interest within 120 days after the granting entity sends notice of the violation.

Section 2264.053. States that prior to the granting of any monies, the granting entity must agree in writing with the business to terms of repayment, should a violation occur.

Reserves Sections 2264.054-2264.100 for expansion.

Section 2264.101. Provides that a granting entity, or the attorney general, is given the ability to file a civil action to recover the amounts owed, including court costs and reasonable attorney's fees, to the granting entity. A business is not liable for a violation if a subsidiary, affiliate, or franchisee of the business is found in violation of the chapter.

SECTION 2. Provides transition language applying provisions of this Act to infractions incurred on or after September 1, 2007.

SECTION 3. States the effective date for this Act.

EFFECTIVE DATE

September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 1196 modifies the original by removing the requirement that a business that submits an application for a public subsidy include in the application a statement certifying that the business or a subsidiary, branch division, affiliate or department of the business does not and will not contract with a person who employs an unauthorized alien. The substitute removes language from the original that holds a business in violation of this bill if an affiliate or subsidiary, or a person with whom the business, subsidiary, branch, division, affiliate, or department of the business contracts with, is convicted of violating 8 U.S.C. Section 1324a or is found to have employed a person convicted of violating 8 U.S.C. Section 1324c. The substitute also adds a provision that a business is not liable for a violation by a subsidiary, affiliate, or a franchisee of the business.