

BILL ANALYSIS

C.S.H.B. 1617
By: Darby
Economic Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, a director of an economic development corporation in a city with a population of 20,000 or more is required to reside within the city. If a city with a corporation has a population of less than 20,000, the resident must either reside in the city, in the county where the major part of the area of the city is located, or within 10 miles of the eligible city's boundaries.

C.S.H.B. 1617 increases the residency requirement population threshold from 20,000 to 100,000 and limits the number of members who may serve on the board and live outside of the city limits.

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 Section 4B(c), Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes), by increasing the population threshold from 20,000 to 100,000 and further stipulates that no more than two directors of a corporation with a population of less than 100,000 may live outside of the city limits.

SECTION 2. States the effective date for this Act.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 1617 modifies the original by stipulating that no more than two directors of a corporation created by an eligible city with a population of less than 100,000 may live outside of the eligible city.