

BILL ANALYSIS

H.B. 2598
By: Homer
Agriculture & Livestock
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Across the United States, programs are being developed and introduced to provide economic development in rural areas. These programs vary, from Rural Opportunity Zones in Kansas, to the new rural economic development approaches embodied in Virginia Works, to the new concept of rural “outsourcing” taking shape in Washington. HB 2598 creates the Texas Rural Job Development Fund to assist in the economic development of the rural areas of Texas.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Office of Rural Community Affairs in SECTION 3 of this bill.

ANALYSIS

HB 2598 amends the Government Code to authorize the use of Texas Enterprise Funds for grants to the Office of Rural Community Affairs, to implement the duties and powers of the office relating to rural job development and provides the subsections that do not apply to the grant.

This measure amends the Government Code, to establish the Texas Rural Job Development Fund under the Office of Rural Community Affairs. The purpose of this subchapter is to promote rural employment opportunities; foster regional collaboration; enhance leadership capacity and civic participation; facilitate wealth creation and retention; assist in the development of a highly skilled and productive workforce; assist workers with skills, education and training, and labor market information to enhance their employability earnings, standard of living; and to provide economic incentives for job creation, attraction and expansion.

Defines “development fund” as the Texas Rural Job Development Fund and “rural community” as a rural area defined by the Office of Rural Community Affairs.

Provides that the Texas Rural Job Development Fund is an account in the general fund composed of legislative appropriations, money received from the Texas Enterprise Fund, gifts, grants, donations, and matching funds under subsection B and any other monies required by law to be deposited in the account

Office of Rural Community Affairs may solicit and accept gifts, donations, and grants of money from the federal government, local governments, private corporations or other persons to be used for the purposes of this subchapter. States that income from money in the account must be credited to the account. Further provides that the development fund may be used only for the purposes enumerated in the subchapter.

Directs the executive committee of the Office of Rural Community Affairs to adopt rules for the program.

Provides that implementation of the program is contingent on appropriation of funding by the legislature.

EFFECTIVE DATE

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

