

BILL ANALYSIS

S.B. 1023
By: West, Royce
Economic Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Enterprise Zone Program was created to promote job creation and capital investment in economically distressed areas of the state. The program provides communities with an economic development tool to offer state and local incentives and program priority to new or expanding businesses in designated areas.

While Texas has created programs to develop new jobs and stimulate new business, there has been a steady increase in the number and percentage of Texas' population without health insurance. The cost of providing health services to an uninsured population is being shifted to the Medicaid and CHIP programs, local taxpayers, and private businesses that help finance their employees' and their employees' families health insurance. Many businesses have found health insurance too expensive to purchase or have chosen not to provide health insurance.

As proposed, S.B. 1023 prohibits a grant of money from the Texas Enterprise Fund from being made unless the grant recipient commits to providing a health benefit plan to the recipient's full-time employees.

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 481.078, Government Code, by adding Subsection (k), to prohibit a grant of money from the Texas Enterprise Fund from being made to a recipient unless the recipient, as one of the performance targets in the agreement, commits to providing a health benefit plan to the recipient's full-time employees who are employed in a facility or activity financed by the grant.

SECTION 2. States the effective date for this Act.

EFFECTIVE DATE

September 1, 2007.