

By: Deshotel

H.B. No. 3694

A BILL TO BE ENTITLED

AN ACT

relating to the enterprise zone program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 2303.003(5-a) and (7), Government Code, are amended to read as follows:

(5-a) "Office" means the Texas Economic Development and Tourism Office within the office of the governor.

(7) "Qualified employee" means a person who:

(A) works for a qualified business; and

(B) performs at least 50 percent of the person's service for the business at the qualified business site [~~in the enterprise zone~~].

SECTION 2. Section 2303.004, Government Code, is amended to read as follows:

Sec. 2303.004. JURISDICTION OF MUNICIPALITY. For the purposes of this chapter, territory in the municipal boundaries and in the extraterritorial jurisdiction of a municipality is considered to be in the jurisdiction of the municipality.

SECTION 3. Section 2303.052, Government Code, is amended to read as follows:

Sec. 2303.052. BANK [~~EVALUATION,~~] REPORT REGARDING PROGRAM. [~~(a)~~] The bank must include the following information regarding the enterprise zone program in the report required by Section 489.107 [~~shall conduct a continuing evaluation of the~~]

1 ~~enterprise zone program.~~

2 ~~[(b) The bank shall develop data from available information~~  
3 ~~demonstrating the relationship between the incentives provided~~  
4 ~~under this chapter and the economy.~~

5 ~~[(c) The bank biennially shall review local incentives.~~

6 ~~[(d) On or before January 1 of each year the bank shall~~  
7 ~~submit to the governor, the legislature, and the Legislative Budget~~  
8 ~~Board a report that]:~~

9 (1) an evaluation of ~~[evaluates]~~ the effectiveness of  
10 the ~~[enterprise zone]~~ program;

11 (2) a description of ~~[describes]~~ the use of state and  
12 local incentives under this chapter and their effect on revenue;  
13 and

14 (3) suggestions for ~~[suggests]~~ legislation with  
15 regard to the program.

16 SECTION 4. Section 2303.401, Government Code, is amended to  
17 read as follows:

18 Sec. 2303.401. DEFINITIONS. In this subchapter:

19 (1) "New permanent job" means a new employment  
20 position that:

21 (A) is created by a qualified business as  
22 described by Section 2303.402 at the qualified business site not  
23 earlier than the 90th day before the date the business's project or  
24 activity is designated as an enterprise project under this chapter;

25 (B) will provide or has provided for the duration  
26 of the project's designation period ~~[that:~~

27 ~~[(A) has provided]~~ at least 1,820 hours of

1 employment a year to a qualified employee; and

2 (C) will [~~(B) is intended to~~] exist or has  
3 existed at the qualified business site for the longer of:

4 (i) the duration of the project's  
5 designation period; or

6 (ii) [at least] three years after the date  
7 on which a state benefit is received as authorized by this chapter.

8 (2) "Retained job" means a job that:

9 (A) existed with a qualified business on the 91st  
10 day before the date [designation of] the business's project or  
11 activity is designated as an enterprise project;

12 (B) [that:

13 [~~(A)~~] has provided and will continue to provide  
14 employment to a qualified employee of at least 1,820 hours  
15 annually; and

16 (C) will [~~(B) is intended to~~] be or has been an  
17 employment position for the longer of:

18 (i) the duration of the project's  
19 designation period; or

20 (ii) [at least] three years after the  
21 expiration date of the claim period for receipt of [date on which] a  
22 state benefit [is received as] authorized by this chapter.

23 SECTION 5. Section 2303.402(c), Government Code, is amended  
24 to read as follows:

25 (c) For the purposes of this section, an economically  
26 disadvantaged individual is an individual who:

27 (1) was unemployed for at least three months before

1 obtaining employment with the qualified business;

2 (2) receives public assistance benefits, including  
3 welfare payments or food stamps, based on need and intended to  
4 alleviate poverty;

5 (3) is a low-income [~~an economically disadvantaged~~]  
6 individual, as defined by Section 101, Workforce Investment Act of  
7 1998 (29 U.S.C. Section 2801(25)) [~~4(8), Job Training Partnership~~  
8 ~~Act (29 U.S.C. Section 1503(8))~~];

9 (4) is an individual with a disability [~~handicaps~~], as  
10 defined by 29 U.S.C. Section 705(20)(A) [~~706(8)~~];

11 (5) is an inmate, as defined by Section 498.001;

12 (6) is entering the workplace after being confined in  
13 a facility operated by the institutional division of the Texas  
14 Department of Criminal Justice or under contract with the Texas  
15 Department of Criminal Justice;

16 (7) has been released by the Texas Youth Commission  
17 and is on parole, if state law provides for such a person to be on  
18 parole; or

19 (8) meets the current low income or moderate income  
20 limits developed under Section 8, United States Housing Act of 1937  
21 (42 U.S.C. Section 1437f et seq.).

22 SECTION 6. Section 2303.403, Government Code, is amended to  
23 read as follows:

24 Sec. 2303.403. PROHIBITION ON QUALIFIED BUSINESS  
25 CERTIFICATION; LIMIT ON ENTERPRISE PROJECT DESIGNATIONS. If the  
26 bank determines that the governing body eligible to nominate an  
27 enterprise project is not complying with this chapter, the bank

1 shall prohibit the certification of a qualified business until the  
2 bank determines that the governing body is complying with this  
3 chapter. The bank may not designate more than 120 [~~85~~] enterprise  
4 projects during any biennium. Any designations remaining at the  
5 end of a biennium may be carried forward to the next biennium.

6 SECTION 7. Section 2303.404, Government Code, is amended by  
7 adding Subsection (a-1) and amending Subsection (c) to read as  
8 follows:

9 (a-1) A county may not nominate for designation as an  
10 enterprise project the project or activity of a qualified business  
11 that is located wholly or partly in a municipality's jurisdiction  
12 as described by Section 2303.004.

13 (c) The designation period for an enterprise project may not  
14 be for less than one year or more than [~~exceed~~] five years from the  
15 date on which the designation is made.

16 SECTION 8. Sections 2303.405(a) and (b), Government Code,  
17 are amended to read as follows:

18 (a) If the governing body approves a request made under  
19 Section 2303.404, the governing body may apply to the bank for the  
20 designation of the project or activity of a qualified business as an  
21 enterprise project only after it submits to the bank the order or  
22 ordinance and other information that complies with the requirements  
23 of Sections 2303.4051 and 2303.4052.

24 (b) An application must contain an economic analysis of the  
25 plans of the qualified business for expansion, revitalization, or  
26 other activity with regard to the enterprise project, including:

27 (1) the number of employment positions in existence at

1 the qualified business site on the 91st day before the application  
2 deadline;

3 (1-a) the number of [~~anticipated~~] new permanent jobs  
4 the enterprise project commits to [~~will~~] create during the  
5 designation period presented in the form of a tabular listing of:

6 (A) the classification titles of those jobs; and

7 (B) the number of jobs and salary range for each  
8 classification title;

9 (2) the [~~anticipated~~] number of permanent jobs the  
10 enterprise project commits to [~~will~~] retain during the designation  
11 period presented in the form of a tabular listing of:

12 (A) the classification titles of the retained  
13 jobs; and

14 (B) the number of retained jobs and salary range  
15 for each classification title;

16 (3) the amount of investment to be made by the  
17 enterprise project;

18 (4) a complete description of the projected schedule  
19 for completion of the specific activity described by Section  
20 2303.404(b) to be undertaken by the enterprise project;

21 (5) other information the bank requires;

22 (6) a description of the local effort made by the  
23 nominating body, the qualified business, and other affected  
24 entities to develop and revitalize the jurisdiction of the  
25 governmental entity nominating the project or activity; and

26 (7) if the nominating body is applying for a double or  
27 triple jumbo enterprise project, as defined by Section 2303.407, an

1 indication of which level [~~of these types~~] of designation  
2 [~~designations~~] is being sought.

3 SECTION 9. Sections 2303.4051(a), (b), (e), (f), and (g),  
4 Government Code, are amended to read as follows:

5 (a) In this section, "local incentive" means each tax  
6 incentive, grant, other financial incentive or benefit, or program  
7 to be provided by the governing body to qualified businesses  
8 participating in the enterprise zone program [~~business enterprises~~  
9 ~~in the block group~~] and any other local incentive listed in Section  
10 2303.511.

11 (b) Before nominating the project or activity of a qualified  
12 business for designation as an enterprise project, the governing  
13 body of the municipality or county in which the business is located,  
14 by ordinance or order, as appropriate, must identify and summarize  
15 briefly any local incentives available[~~+~~

16 [~~(1) in each of the block groups or other areas within~~  
17 ~~its jurisdiction that qualify as an enterprise zone under Section~~  
18 ~~2303.101, if any, and~~

19 [~~(2) in any area within its jurisdiction that does not~~  
20 ~~qualify as an enterprise zone]~~.

21 (e) An [~~Unless the nominating body holds a public hearing~~  
22 ~~before adopting an ordinance or order under this section, the~~  
23 ordinance or order adopted under this section is not valid unless  
24 the nominating body holds a public hearing before adopting the  
25 ordinance or order. Notice of the hearing must be published in a  
26 newspaper having general circulation in the municipality not later  
27 than the seventh calendar day before the date of the hearing. The

1 notice must contain:

2 (1) the date, time, and location of the hearing;

3 (2) the provisions for any tax or other incentives  
4 applicable to the enterprise zone program;

5 (3) the name of the qualified business whose project  
6 or activity is being nominated for enterprise project designation;  
7 and

8 (4) the location of the qualified business site.

9 (f) If the nominating body has previously nominated a  
10 project or activity for designation as an enterprise project, the  
11 nominating body, instead of issuing a new ordinance or order under  
12 this section for a nominated project or activity, may by resolution  
13 make a reference to a previously issued ordinance or order that met  
14 the requirements of this section if:

15 (1) the resolution nominates the project or activity  
16 for designation as an enterprise project and states:

17 (A) whether the nominated project or activity is  
18 located in an area designated as an enterprise zone;

19 (B) the level of enterprise project designation  
20 being sought; and

21 (C) the ending date of the project's designation  
22 period;

23 (2) the local incentives described in the previously  
24 issued ordinance or order [~~for the areas described by Subsections~~  
25 ~~(b)(1) and (2)] are [~~substantially~~] the same on the date the  
26 resolution is issued; and~~

27 (3) the local incentives to be made available to the



1 nominated project or activity are the same as those made available  
2 to the project or activity that are the subject of the previously  
3 issued ordinance or order.

4 (g) This section does not prohibit a municipality or county  
5 from extending additional incentives, including tax incentives,  
6 for qualified businesses [~~business enterprises~~] in an enterprise  
7 zone by a separate order or ordinance.

8 SECTION 10. Section 2303.4052, Government Code, is amended  
9 to read as follows:

10 Sec. 2303.4052. REQUIRED INFORMATION FROM NOMINATING BODY.  
11 Before nominating the project or activity of a qualified business  
12 for designation as an enterprise project, the nominating body must  
13 submit to the bank:

14 (1) a certified copy of the ordinance or order, as  
15 appropriate, or reference to an ordinance or order as required by  
16 Section 2303.4051;

17 (2) a transcript of all public hearings conducted with  
18 respect to local incentives available to qualified businesses  
19 [~~business enterprises~~] within the jurisdiction of the governmental  
20 entity nominating the project or activity, regardless of whether  
21 those businesses [~~business enterprises~~] are located in an  
22 enterprise zone;

23 (3) the name, title, address, telephone number, and  
24 electronic mail address of the nominating body's liaison designated  
25 under Section 2303.204; [~~and~~]

26 (4) if the business is seeking job retention benefits,  
27 documentation showing the number of employment positions at the

1 qualified business site; and

2 (5) any additional information the bank may require.

3 SECTION 11. Section 2303.406, Government Code, is amended  
4 by amending Subsection (a) and adding Subsections (g) and (h) to  
5 read as follows:

6 (a) The bank may designate a project or activity of a  
7 business as an enterprise project only if the bank receives all of  
8 the information required by Section 2303.4052 and determines that:

9 (1) the business is a qualified business under Section  
10 2303.402 that is located in or has made a substantial commitment to  
11 locate in an enterprise zone or at a qualified business site;

12 (2) the nominating body making the application has  
13 demonstrated that a high level of cooperation exists among public,  
14 private, and neighborhood entities within the jurisdiction of the  
15 governmental entity nominating the project or activity;

16 (3) the designation will contribute significantly to  
17 the achievement of the plans of the nominating body making the  
18 application for development and revitalization of the area in which  
19 the enterprise project will be located; and

20 (4) if the business is seeking job retention benefits,  
21 the business has clearly demonstrated that:

22 (A) the permanent employees of the business will  
23 be permanently laid off;

24 (B) the business will close down permanently;

25 (C) the business will relocate out-of-state; or

26 (D) ~~[a 10 percent increase in the production~~  
27 ~~capacity of the business will occur;~~

1                   ~~[(E) a 10 percent decrease in overall cost per~~  
2 ~~unit produced will occur;~~

3                   ~~[(F)]~~ the business facility has been  
4 legitimately destroyed or substantially impaired because of fire,  
5 flood, tornado, hurricane, or any other natural disaster and that  
6 at least 60 percent of the capital investment is being spent to  
7 repair damages resulting from the disaster~~;~~ ~~or~~

8                   ~~[(G) the business facility is both adding a new~~  
9 ~~business line or product and deleting or decreasing an existing~~  
10 ~~business line or product, and the designation will prevent the~~  
11 ~~facility's net production capacity from decreasing].~~

12           (g) The bank may lower the designation level of a proposed  
13 project or activity nominated for enterprise project designation:

14                   (1) if there are fewer designations available than  
15 applications received; or

16                   (2) to further the economic interests of the state.

17           (h) A state benefit may not be obtained under this chapter  
18 or Chapter 151, Tax Code, for jobs moved from one jurisdiction in  
19 this state to another jurisdiction in this state.

20           SECTION 12. Section 2303.406(e), Government Code, as added  
21 by Chapter 814, Acts of the 78th Legislature, Regular Session,  
22 2003, is amended to read as follows:

23           (e) The office may, during any biennium, designate multiple  
24 concurrent enterprise projects to a qualified business located in  
25 an enterprise zone ~~[during any biennium]~~.

26           SECTION 13. Section 2303.407, Government Code, is amended  
27 to read as follows:

1           Sec. 2303.407. ALLOCATION OF JOBS ELIGIBLE FOR TAX REFUND.

2       (a) The bank shall allocate to an enterprise project the maximum  
3       number of new permanent jobs or retained jobs eligible based on the  
4       amount of capital investment made in the project, the project's  
5       designation level, and the refund per job with a maximum refund to  
6       be included in a computation of a tax refund for the project.

7           (b) A capital investment in a project of:

8               (1) \$40,000 to \$399,999 will result in a refund of up  
9       to \$2,500 per job with a maximum refund of \$25,000 for the creation  
10       or retention of 10 jobs;

11               (2) \$400,000 to \$999,999 will result in a refund of up  
12       to \$2,500 per job with a maximum refund of \$62,500 for the creation  
13       or retention of 25 jobs;

14               (3) \$1,000,000 to \$4,999,999 will result in a refund  
15       of up to \$2,500 per job with a maximum refund of \$312,500 for the  
16       creation or retention of 125 jobs;

17               (4) \$5,000,000 to \$149,999,999 will result in a refund  
18       of up to \$2,500 per job with a maximum refund of \$1,250,000 for the  
19       creation or retention of 500 jobs;

20               (5) \$150,000,000 to \$249,999,999 will result in a  
21       refund of up to \$5,000 per job with a maximum refund of \$2,500,000  
22       for the creation or retention of 500 jobs if the bank designates the  
23       project as a double jumbo enterprise project; or

24               (6) \$250,000,000 or more will result in a refund of up  
25       to \$7,500 per job with a maximum refund of \$3,750,000 for the  
26       creation [~~or retention~~] of at least 500 jobs if the bank designates  
27       the project as a triple jumbo enterprise project.

1           (c) An enterprise project for which a commitment for a [A]  
2 capital investment in the range amount and the creation or  
3 retention of the number of jobs specified [~~described~~] by Subsection  
4 (b)(5) is made is considered a double jumbo enterprise project if  
5 the project is so designated by the bank.

6           (d) An enterprise project for which a commitment for a [A]  
7 capital investment in the range amount and the creation [~~or~~  
8 ~~retention~~] of the number of jobs specified [~~described~~] by  
9 Subsection (b)(6) is made is considered a triple jumbo enterprise  
10 project if the project is so designated by the bank.

11           SECTION 14. Section 2303.4072, Government Code, is amended  
12 to read as follows:

13           Sec. 2303.4072. ENTERPRISE PROJECT CLAIM FOR STATE BENEFIT.  
14 A person must make a claim to the comptroller for a state benefit as  
15 prescribed under this chapter and Chapter [~~Chapters~~] 151 [~~and 171~~],  
16 Tax Code, not later than 18 months after the date on which the term  
17 of the enterprise project designation expires as provided by  
18 Section 2303.404.

19           SECTION 15. Section 2303.502(c), Government Code, is  
20 amended to read as follows:

21           (c) The bank shall disseminate the reports to the governing  
22 bodies of the entities that nominated the enterprise projects  
23 [~~enterprise zones~~] and others as necessary to advance the purposes  
24 of this chapter.

25           SECTION 16. Section 2303.505(a), Government Code, is  
26 amended to read as follows:

27           (a) To encourage the development of areas designated as

1 enterprise zones, the governing body of a municipality through a  
2 program may refund its local sales and use taxes paid by a qualified  
3 business on all taxable items purchased for use at the qualified  
4 business site related to the project or activity[+]

5 [~~(1) the purchase, lease, or rental of equipment or~~  
6 ~~machinery for use in an enterprise zone,~~

7 [~~(2) the purchase of material for use in remodeling,~~  
8 ~~rehabilitating, or constructing a structure in an enterprise zone,~~

9 [~~(3) labor for remodeling, rehabilitating, or~~  
10 ~~constructing a structure in an enterprise zone; and~~

11 [~~(4) electricity and natural gas purchased and~~  
12 ~~consumed in the normal course of business in the enterprise zone].~~

13 SECTION 17. Section 2303.516, Government Code, is amended  
14 to read as follows:

15 Sec. 2303.516. MONITORING QUALIFIED BUSINESS OR ENTERPRISE  
16 PROJECT COMMITMENTS. (a) The comptroller [~~bank~~] may monitor a  
17 qualified business or enterprise project to determine whether and  
18 to what extent the business or project has followed through on any  
19 commitments made by it or on its behalf under this chapter.

20 (b) The comptroller [~~bank~~] may determine that the business  
21 or project is not entitled to a refund or credit of state taxes  
22 under Section 2303.504 if the comptroller [~~bank~~] finds that:

23 (1) the business or project is not willing to  
24 cooperate with the comptroller [~~bank~~] in providing the comptroller  
25 [~~bank~~] with the information the comptroller [~~bank~~] needs to  
26 determine the state benefits [~~make the determination under~~  
27 ~~Subsection (a)]~~; or

1           (2) the business or project has substantially failed  
2 to follow through on any commitments made by it or on its behalf  
3 under this chapter.

4           (c) ~~[On the date on which a certificate of occupancy is~~  
5 ~~issued with respect to an enterprise project or at the completion of~~  
6 ~~the enterprise project designation period as indicated by the~~  
7 ~~approved application, the nominating body shall monitor the~~  
8 ~~qualified business to determine whether the business or project has~~  
9 ~~followed through on any commitments or goals made by it or on its~~  
10 ~~behalf in the designation application. On completion, the~~  
11 ~~nominating body shall submit a report of its findings to the bank~~  
12 ~~and comptroller.~~

13           ~~[(d)]~~ A qualified business may obtain a state benefit,  
14 earned through a specific enterprise project designation, on  
15 completion of an audit performed by the comptroller that will  
16 certify hiring commitments and eligible purchases made by or on  
17 behalf of a qualified business under this chapter.

18           SECTION 18. Section 2303.517, Government Code, is amended  
19 to read as follows:

20           Sec. 2303.517. REPORT.   (a) Before obtaining a state  
21 benefit, the qualified business must submit to the comptroller  
22 ~~[bank]~~ a certified report of the actual number of jobs created or  
23 retained and the capital investment made at or committed to the  
24 qualified business site.

25           (b) Not later than the 30th day after the date the  
26 comptroller completes an enterprise project's close-out, the  
27 comptroller shall submit to the bank a report stating the actual

1 amount of capital investment made and the actual number of jobs  
2 created or retained as a result of the enterprise project  
3 designation.

4 SECTION 19. Sections 151.429(a), (b), (c), and (e), Tax  
5 Code, are amended to read as follows:

6 (a) An enterprise project is eligible for a refund in the  
7 amount provided by this section of the taxes imposed by this chapter  
8 on purchases of all taxable items purchased for use at the qualified  
9 business site related to the project or activity [+

10 [~~(1) equipment or machinery sold to an enterprise~~  
11 ~~project for use at the qualified business site;~~

12 [~~(2) building materials sold to an enterprise project~~  
13 ~~for use in remodeling, rehabilitating, or constructing a structure~~  
14 ~~at the qualified business site;~~

15 [~~(3) labor for remodeling, rehabilitating, or~~  
16 ~~constructing a structure by an enterprise project at the qualified~~  
17 ~~business site; and~~

18 [~~(4) electricity and natural gas purchased and~~  
19 ~~consumed in the normal course of business at the qualified business~~  
20 ~~site].~~

21 (b) Subject to the limitations provided by Subsection (c) of  
22 this section, an enterprise project qualifies for a refund of taxes  
23 under this section based on the amount of capital investment made at  
24 the qualified business site, the project's designation level, and  
25 the refund per job with a maximum refund to be included in a  
26 computation of a tax refund for the project. A capital investment  
27 at the qualified business site of:



1           (1) \$40,000 to \$399,999 will result in a refund of up  
2 to \$2,500 per job with a maximum refund of \$25,000 for the creation  
3 or retention of 10 jobs;

4           (2) \$400,000 to \$999,999 will result in a refund of up  
5 to \$2,500 per job with a maximum refund of \$62,500 for the creation  
6 or retention of 25 jobs;

7           (3) \$1,000,000 to \$4,999,999 will result in a refund  
8 of up to \$2,500 per job with a maximum refund of \$312,500 for the  
9 creation or retention of 125 jobs;

10           (4) \$5,000,000 to \$149,999,999 will result in a refund  
11 of up to \$2,500 per job with a maximum refund of \$1,250,000 for the  
12 creation or retention of 500 jobs;

13           (5) \$150,000,000 to \$249,999,999 will result in a  
14 refund of up to \$5,000 per job with a maximum refund of \$2,500,000  
15 for the creation or retention of 500 jobs if the Texas Economic  
16 Development Bank designates the project as a double jumbo  
17 enterprise project; or

18           (6) \$250,000,000 or more will result in a refund of up  
19 to \$7,500 per job with a maximum refund of \$3,750,000 for the  
20 creation [~~or retention~~] of at least 500 jobs if the Texas Economic  
21 Development Bank designates the project as a triple jumbo  
22 enterprise project.

23           (c) The total amount of tax refund that an enterprise  
24 project may apply for in a state fiscal year may not exceed  
25 \$250,000, at not more than \$2,500 per job. If an enterprise project  
26 qualifies in a state fiscal year for a refund of taxes in an amount  
27 in excess of the limitation provided by this subsection, it may

1 apply for a refund of those taxes in a subsequent year, subject to  
2 the \$250,000 limitation for each year. The total amount that may be  
3 refunded to an enterprise project under this section may not exceed  
4 the amount determined by multiplying \$250,000 by the number of  
5 state fiscal years during which the enterprise project created one  
6 or more jobs for qualified employees.

7 (e) In this section:

8 (1) "Enterprise project" means a project or activity  
9 ~~[person]~~ designated by the Texas Economic Development Bank as an  
10 enterprise project under Chapter 2303, Government Code.

11 (2) "Qualified employee" ~~["Enterprise zone,"~~  
12 ~~"qualified employee,"]~~ and "qualified hotel project" have the  
13 meanings assigned to those terms by Section 2303.003, Government  
14 Code.

15 (3) "New permanent job" has the meaning assigned by  
16 ~~[means a new employment position created by a qualified business as~~  
17 ~~described by]~~ Section 2303.401 ~~[2303.402]~~, Government Code~~[, that:~~

18 ~~[(A) has provided at least 1,820 hours of~~  
19 ~~employment a year to a qualified employee; and~~

20 ~~[(B) is intended to exist for at least three~~  
21 ~~years after a state benefit is received under Chapter 2303,~~  
22 ~~Government Code].~~

23 (4) "Retained job" has the meaning assigned by Section  
24 2303.401, Government Code.

25 (5) "Double jumbo enterprise project" and "triple  
26 jumbo enterprise project" have the meanings assigned by Section  
27 2303.407, Government Code.

1 SECTION 20. The following provisions are repealed:

2 (1) Section 2303.4051(d), Government Code; and

3 (2) Section 2303.406(e), Government Code, as added by  
4 Chapter 209, Acts of the 78th Legislature, Regular Session, 2003.

5 SECTION 21. The changes in law made by this Act to Chapter  
6 2303, Government Code, apply only to an application for a  
7 designation under the enterprise zone program under Chapter 2303,  
8 Government Code, as amended by this Act, that is filed on or after  
9 the effective date of this Act. An application for designation  
10 under the enterprise zone program that is filed before the  
11 effective date of this Act is governed by the law in effect on the  
12 date the application was filed, and the former law is continued in  
13 effect for that purpose.

14 SECTION 22. The changes in law made by this Act to Section  
15 151.429, Tax Code, apply only to an application for a tax refund  
16 made on or after the effective date of this Act. An application for  
17 a tax refund made before the effective date of this Act is governed  
18 by the law in effect on the date the application was made, and the  
19 former law is continued in effect for that purpose.

20 SECTION 23. This Act takes effect September 1, 2007.