

AN ACT

relating to use of the money from the Texas Enterprise Fund to benefit certain small businesses and certain projects.

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

SECTION 1. The vital importance of small businesses to the economy of this state and the well-being of its residents requires that it be the policy of this state to encourage the development and location of small businesses in this state and promote opportunities for those businesses to prosper.

SECTION 2. Section 481.078, Government Code, is amended by adding Subsections (k) and (l) to read as follows:

(k) To encourage the development and location of small businesses in this state, the governor shall consider making grants from the fund:

(1) to recipients that are small businesses in this state that commit to using the grants to create additional jobs;

(2) to recipients that are small businesses from outside the state that commit to relocate to this state; or

(3) for individual projects that create 100 or fewer additional jobs.

(l) For purposes of Subsection (k), "small business" means a legal entity, including a corporation, partnership, or sole proprietorship, that:

(1) is formed for the purpose of making a profit;

1           (2) is independently owned and operated; and

2           (3) has fewer than 100 employees.

3           SECTION 3. This Act takes effect immediately if it receives  
4 a vote of two-thirds of all the members elected to each house, as  
5 provided by Section 39, Article III, Texas Constitution. If this  
6 Act does not receive the vote necessary for immediate effect, this  
7 Act takes effect September 1, 2009.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 394 was passed by the House on March 26, 2009, by the following vote: Yeas 146, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 394 on May 29, 2009, by the following vote: Yeas 140, Nays 0, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 394 was passed by the Senate, with amendments, on May 26, 2009, by the following vote: Yeas 30, Nays 1.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor