

By: Button

H.B. No. 1198

A BILL TO BE ENTITLED

AN ACT

relating to the qualifications for certification of a person as a qualified business under the enterprise zone program.

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

SECTION 1. Section 2303.402, Government Code, is amended by amending Subsection (a) and adding Subsection (b) to read as follows:

(a) In this section, "emerging technology" means:

(1) semiconductors;

(2) information and computer technology;

(3) micro-electromechanical systems;

(4) manufactured energy systems;

(5) nanotechnology; and

(6) biotechnology.

(b) A person is a qualified business if the bank, for the purpose of state benefits under this chapter, or the nominating body of a project or activity of the person under this chapter, for the purpose of local incentives, certifies that:

(1) the person is engaged in or has provided substantial commitment to initiate the active conduct of a trade or business in an enterprise zone, and:

(A) if the trade or business is an emerging technology trade or business, at least 25 percent of the person's new employees in the enterprise zone are economically disadvantaged

1 individuals; or

2 (B) if the trade or business is not an emerging
3 technology trade or business, at least 25 percent of the person's
4 new employees in the enterprise zone are:

5 (i) [~~A~~] residents of any enterprise zone
6 in this state; or

7 (ii) [~~B~~] economically disadvantaged
8 individuals; or

9 (2) the person is engaged in or has provided
10 substantial commitment to initiate the active conduct of a trade or
11 business in an area of this state that does not qualify as an
12 enterprise zone, and:

13 (A) if the trade or business is an emerging
14 technology trade or business, at least 35 percent of the person's
15 new employees at the qualified business site are individuals who
16 are economically disadvantaged; or

17 (B) if the trade or business is not an emerging
18 technology trade or business, at least 35 percent of the person's
19 new employees at the qualified business site are:

20 (i) [~~A~~] residents of any enterprise zone
21 in this state; or

22 (ii) [~~B~~] individuals who are
23 economically disadvantaged.

24 SECTION 2. The changes in law made by this Act to Section
25 2303.402, Government Code, apply only to an application for a
26 designation under the enterprise zone program under Chapter 2303,
27 Government Code, as amended by this Act, that is filed on or after

1 the effective date of this Act. An application for a designation
2 under the enterprise zone program that is filed before the
3 effective date of this Act is governed by the law in effect on the
4 date the application was filed, and the former law is continued in
5 effect for that purpose.

6 SECTION 3. This Act takes effect September 1, 2009.