

SENATE AMENDMENTS

2nd Printing

By: Rose, Strama, Rodriguez, Harless, Parker,
et al.

H.B. No. 394

A BILL TO BE ENTITLED

AN ACT

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

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), (l), (m), (n), and (o) 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.

(1) 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 (m) In making grants under Subsection (k), the governor
4 shall consider making grants from the fund to historically
5 underutilized businesses, as defined by Section 2161.001.

6 (n) In deciding to award a grant under Subsection (k), the
7 governor must give priority to a small business over a business that
8 pays any of the grant funds to an executive in the form of
9 compensation above the executive's base salary.

10 (o) The governor is encouraged to consider making grants
11 from the fund to support the establishment and expansion of small
12 businesses in this state that have as their primary purpose the
13 provision of energy derived from renewable energy technology, as
14 defined by Section 39.904(d), Utilities Code.

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

ADOPTED

MAY 26 2009

Patricia Spaul
Secretary of the Senate

By:

Patricia Vanderhoff

H.B. No. 394

Substitute the following for H.B. No. 394:

By:

Elitio

C.S. H.B. No. 394

A BILL TO BE ENTITLED

AN ACT

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

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 creation 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 creation, development, and location of small businesses in this state, the governor shall consider making grants from the fund to recipients that are:

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

(2) small businesses from outside the state that commit to relocate to this state.

(1) 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;

(2) is independently owned and operated; and

(3) has fewer than 100 employees.

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

ADOPTED

FLOOR AMENDMENT NO. 1

MAY 26 2009

BY:

Vandipute

Letay Spaw
Secretary of the Senate

Amend C.S.H.B. No. 394 (Senate Committee Printing) as follows:

(1) On page 1, line 15, strike "creation" and substitute "development".

(2) On page 1, line 20, between "the" and "development", strike "creation".

(3) On page 1, line 20, between "development" and "and", strike "1".

(4) On page 1, line 22, between "fund" and ":", strike "to recipients that are".

(5) On page 1, line 23, between "(1)" and "small", insert "to recipients that are".

(6) On page 1, line 24, following ":", strike "or".

(7) On page 1, line 25, between "(2)" and "small", insert "to recipients that are".

(8) On page 1, line 26, between "state" and "1", insert "; or

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

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 28, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB394 by Rose (Relating to use of the money from the Texas Enterprise Fund to benefit small businesses.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill provides that the Governor consider making grants from the Texas Enterprise Fund to small businesses in Texas that commit to creating additional jobs, for the relocation of small businesses from outside the state, or for individual projects that create 100 or fewer additional jobs. There would be a cost to the fund depending on the number of grants made out of the fund.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor

LBB Staff: JOB, JRO, MS, BTA

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 22, 2009

TO: Honorable Chris Harris, Chair, Senate Committee on Economic Development

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB394 by Rose (Relating to use of the money from the Texas Enterprise Fund to benefit small businesses.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill provides that the Governor consider making grants from the Texas Enterprise Fund to small businesses in Texas that commit to creating additional jobs, or for the relocation of small businesses from outside the state. There would be a cost to the fund depending on the number of grants made out of the fund.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor

LBB Staff: JOB, JRO, MS, BTA

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 21, 2009

TO: Honorable Chris Harris, Chair, Senate Committee on Economic Development

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB394 by Rose (Relating to use of the money from the Texas Enterprise Fund to benefit small businesses.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill provides that the Governor consider making grants from the Texas Enterprise Fund to small businesses in Texas that commit to creating additional jobs, or for the relocation of small businesses from outside the state. There would be a cost to the fund depending on the number of grants made out of the fund.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor

LBB Staff: JOB, JRO, MS, BTA

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 10, 2009

TO: Honorable Mark Strama, Chair, House Committee on Technology, Economic Development & Workforce

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB394 by Rose (Relating to use of the money from the Texas Enterprise Fund to benefit small businesses.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill provides that the Governor consider making grants from the Texas Enterprise Fund to small businesses in Texas that commit to creating additional jobs, or for the relocation of small businesses from outside the state.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor

LBB Staff: JOB, JRO, MS, BTA

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

February 27, 2009

TO: Honorable Mark Strama, Chair, House Committee on Technology, Economic Development
& Workforce

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB394 by Rose (Relating to use of the money from the Texas Enterprise Fund to benefit
small businesses.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill provides that the Governor consider making grants from the Texas Enterprise Fund to small businesses, those that commit to create new small businesses, or for the relocation of small businesses from outside the state.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor

LBB Staff: JOB, JRO, MS, BTA