BILL ANALYSIS

Senate Research Center 82R2236 JE-D82R2236 JE-D H.B. 397 By: Gonzales, Veronica et al. (Uresti) International Relations & Trade 5/11/2011 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas-Mexico border area is a region of great economic importance. Mexico is Texas's largest trading partner and the Mexican and Texas economies are closely tied. Those ties have evolved to include almost all sectors of the Texas economy.

A number of variables uniquely affect the performance of the border region's economy. Variables like border security, commerce and trade, and international relations can have a profound impact on the economic strength of the areas along the shared border. Currently, there is no organized entity that is reviewing these variables to facilitate collaboration and to improve public policy.

H.B. 397 would create a Bureau for Economic Development of the Border Region to review these variables and make recommendations to the legislature on economic opportunities in the area. This bill seeks to advance the cause of economic development in the region by bringing together talented and interested people to advise and make recommendations to lawmakers with respect to potential border economic development projects.

H.B. 397 amends current law relating to the creation of the Bureau for Economic Development of the Border Region.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle F, Title 4, Government Code, by adding Chapter 490D, as follows:

CHAPTER 490D. BUREAU FOR ECONOMIC DEVELOPMENT OF THE BORDER REGION

Sec. 490D.001. DEFINITIONS. Defines "border region" and "bureau" in this chapter.

Sec. 490D.002. BUREAU; MEMBERS. (a) Provides that the Bureau for Economic Development of the Border Region (bureau) is a partnership of participating public and private entities administered by a public or private institution of higher education that is designated by the steering committee of the bureau and agrees to serve in that capacity.

- (b) Provides that the bureau has a steering committee that consists of seven members as follows:
 - (1) one member appointed by the lieutenant governor;
 - (2) one member appointed by the speaker of the house of representatives;

SRC-JTK H.B. 397 82(R) Page 1 of 3

- (3) three members appointed by the administration of the institution of higher education;
- (4) the chair of the House Committee on Border and Intergovernmental Affairs, designated by the speaker of the house of representatives; and
- (5) the chair of the senate committee to which border affairs are referred, designated by the lieutenant governor.
- (c) Requires members of the bureau's steering committee appointed under Subsection (b)(1) and (2) to be residents of the border region. Authorizes the other appointed or designated members of the steering committee to be residents of the border region.
- (d) Requires members of the bureau's steering committee to be selected to provide the bureau expertise relating to financial planning and development, construction, engineering, and trade.
- (e) Requires the institution of higher education that administers the bureau to provide educational expertise to the bureau.

Sec. 490D.003. TERMS. (a) Provides that the appointed members of the bureau's steering committee serve staggered terms of two years, with as near as possible to one-half of the member's terms expiring February 1 of each year.

(b) Provides that members of the bureau's steering committee designated under Sections 490D.002(b)(4) and (5) serve terms that expire February 1 of each odd-numbered year.

Sec. 490D.004. MEETINGS; OFFICERS. (a) Requires the bureau's steering committee to hold at least one regular meeting annually.

- (b) Requires the steering committee, at its first meeting, to select from its membership a presiding officer.
- (c) Requires the steering committee to meet subject to the call of the presiding officer.

Sec. 490D.005. DUTIES. Requires the bureau to:

- (1) facilitate research in fields of study affecting the economy in the border region;
- (2) make recommendations to the legislature regarding the provision of economic and financial education to persons living in the border region;
- (3) draft and submit reports to advise the legislature about economic development opportunities in the border region;
- (4) provide evaluation of specific proposals for use of economic development funds in the border region, including tax abatement agreements;
- (5) consult with the Texas Economic Development and Tourism Office within the office of the governor on issues related to the border region;
- (6) study and report on opportunities to improve trade across the international border; and
- (7) make recommendations to the legislature about the establishment of infrastructure projects to assist multiple counties in the border region.

SRC-JTK H.B. 397 82(R) Page 2 of 3

Sec. 490D.006. FUNDING. (a) Authorizes the bureau, in addition to any amount appropriated by the legislature, to apply for and accept funds from the federal government or any other public or private entity to carry out the bureau's duties.

(b) Authorizes the bureau or any member of the bureau's steering committee to also solicit and accept pledges, gifts, and endowments from private sources on the bureau's behalf. Requires the bureau to actively seek gifts from businesses and organizations that represent businesses to support the bureau's functions. Requires that a pledge, gift, or endowment solicited under this section be consistent with the purposes of the bureau.

Sec. 490D.007. FACILITIES AND OTHER ASSISTANCE. Authorizes the institution of higher education that administers the bureau to provide facilities and services to further the purposes of the bureau.

Sec. 490D.008. DURATION. Provides that Section 2110.008 (Duration of Advisory Committees) does not apply to the bureau.

- SECTION 2. (a) Requires in appointing the initial appointed members of the steering committee of the bureau under Section 490D.002, Government Code, as added by this Act:
 - (1) the lieutenant governor to appoint one member to serve a term expiring February 1, 2012;
 - (2) the speaker of the house of representatives to appoint one member to serve a term expiring February 1, 2012; and
 - (3) the administration of the institution of higher education that administers the bureau to appoint one member to serve a term expiring February 1, 2012, and two members to serve a term expiring February 1, 2013.
 - (b) Requires the initial members of the steering committee, as soon as practicable after those initial members of the steering committee of the bureau have been appointed or designated under Section 490D.002(b)(1), (2), (4), or (5), Government Code, as added by this Act, to designate the institution of higher education as required by Section 490D.002, Government Code, as added by this Act.

SECTION 3. Effective date: September 1, 2011.

SRC-JTK H.B. 397 82(R) Page 3 of 3