

## **BILL ANALYSIS**

Senate Research Center

S.B. 580  
By: Hegar  
Economic Development  
8/4/2011  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Lavaca-Navidad River Authority (LNRA), formerly known as the Jackson County Flood Control District, is a conservation and reclamation district of the State of Texas, pursuant to Article 16, Section 59, of the Texas Constitution. The boundaries of LNRA are coextensive with the boundaries of Jackson County, Texas. LNRA was created for the purpose of controlling, storing, preserving, and distributing the storm and flood waters, and the waters of the rivers and streams of Jackson County, and their tributaries, for all useful and beneficial purposes. LNRA presently owns, operates, and maintains Lake Texana and the surrounding lands and recreation facilities. These facilities include three public campgrounds, a multi-use event complex, eight public boat ramps, and three fishing areas. LNRA works with other entities in the community to coordinate the maintenance and construction of drainage structures, disposal of wastewater, flood and emergency planning, and law enforcement. LNRA's enabling legislation does not include the explicit authority to participate in economic development programs.

S.B. 580 amends LNRA's enabling legislation and authorizes LNRA to adopt an economic development program. The change will grant LNRA statutory authority to participate and partner with other local governmental entities and nonprofit organizations in community development and economic development projects. This change gives LNRA additional opportunities to match its resources with those from other local groups for the common benefit of the public served.

S.B. 580 amends current law relating to community assistance and economic development program activities of the Lavaca-Navidad River Authority.

### **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 Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, by adding Section 11, as follows:

Sec. 11. (a) Defines "economic development program."

(b) Authorizes the Lavaca-Navidad River Authority (district) to sponsor and participate in an economic development program intended to strengthen the economic base and further the economic development of this state. Provides that a determination by the board of directors of the district (board of directors) that an economic development program is intended and expected to accomplish the program's stated purposes is conclusive with respect to whether the program serves the purposes of this section.

(c) Requires that an economic development program be within:

(1) the territorial boundaries of the district; or

(2) the district's water service area.

(d) Authorizes an economic development program to be established only by formal action of the board of directors. Requires the board of directors to:

(1) establish the goals of the program;

(2) impose requirements on persons participating in or receiving a benefit for the program; and

(3) provide restrictions, procedures, and budget limits the board of directors determines are necessary to ensure that the governmental purposes of this section and the program are achieved.

(e) Authorizes an economic development program to involve the granting or lending of money, services, or property to a person engaged in an economic development activity.

(f) Authorizes the district to:

(1) employ staff and spend its resources, other than money received from an ad valorem tax or a general appropriation, to further an economic development program; and

(2) apply for and receive money, grants, or other assistance from any source to implement an economic development program.

(g) Authorizes the district and any public or private person to enter into an agreement with respect to an economic development program.

(h) Requires the district, if the district proposes to provide scholarships, grants, loans, or financial assistance to a public fire-fighting organization, to adopt guidelines for determining:

(1) eligibility for the assistance;

(2) the amount of any loan, grant, or other assistance the district may provide; and

(3) the types of equipment, facilities, education, or training for which the assistance may be used.

SECTION 2. Provides that the legislature finds that the economic development programs authorized by Section 11, Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, as added by this Act, are a specific public purpose and governmental function of the Lavaca-Navidad River Authority in accordance with Section 52-a, Article III, Texas Constitution, and Section 59, Article XVI, Texas Constitution.

SECTION 3. Effective date: September 1, 2011.