

## **BILL ANALYSIS**

H.B. 3066  
By: Menéndez  
Defense & Veterans' Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties note that current law requires a defense base development authority to undergo a process for establishing reinvestment zones, which includes notices and hearings and can take valuable time. Until recently, such a process was unnecessary because a defense base development authority automatically qualified for designation as a reinvestment zone under a provision in state law that applied to federally designated empowerment zones. However, recent changes in federal law may result in such authorities no longer automatically qualifying as reinvestment zones under the program.

The interested parties assert that automatically designating a defense base development authority as an enterprise zone provides sales tax incentives for job creation and capital investment in distressed areas of the state. H.B. 3066 seeks to continue allowing defense base development authorities to be an effective tool for economic development by including an area inside the boundaries of a defense base development authority among the areas that automatically qualify for designation as an enterprise zone.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 3066 amends the Government Code to include among the areas that automatically qualify for designation as an enterprise zone an area inside the boundaries of a defense base development authority.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.