

BILL ANALYSIS

C.S.S.B. 1214
By: Schwertner
Economic & Small Business Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties assert that several enhancements could be made to certain Department of Agriculture (TDA) economic development programs, and they note the need for alternate sources of funding to further economic development through these programs. These parties also believe that communities certified under the Texas Certified Retirement Community Program could be assisted by the TDA in a more valuable and efficient manner than is currently specified in state law. The parties also see a need to update certain other statutory provisions relating to the Texas Agriculture Finance Authority and other areas of the Agriculture Code. C.S.S.B. 1214 seeks to address these and other issues related to certain economic development programs administered by the TDA.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Department of Agriculture in SECTION 3 of this bill.

ANALYSIS

C.S.S.B. 1214 amends the Agriculture Code to update provisions relating to the Department of Agriculture's (TDA) economic development program for rural areas in Texas and to authorize the TDA to request, accept, and use any gift, grant, loan, donation, aid, appropriation, guaranty, allocation, subsidy, or contribution of any item of value to further an economic development program in Texas.

C.S.S.B. 1214 establishes the Texas economic development fund as a fund in the state treasury and provides for the composition of the fund, including certain money and assets associated with economic development programs established using money allocated and paid to the TDA under a certain allocation agreement between the TDA and the U.S. Department of the Treasury to implement the federal State Small Business Credit Initiative Act of 2010. The bill restricts the appropriation of money in the fund to the TDA for the purpose of administering, establishing, implementing, or maintaining an economic development program under the fund and establishes that such money is dedicated to and authorized to be used only for the administration, establishment, implementation, or maintenance of one or more of the TDA's economic development programs.

C.S.S.B. 1214 specifies that the money a community submits to the TDA to be eligible to be a Texas certified retirement community under the Texas Certified Retirement Community Program is a fee, rather than an application fee, in a specified amount. The bill requires the TDA to provide to a community certified under the program assistance in the manner determined by TDA rule, rather than assistance as specified in statute. The bill changes the deadline by which the assistance must be provided from not later than the 90th day after an application is submitted to not later than the 90th day after approval of a submitted application. The bill exempts the Texas certified retirement community program account from the application of certain Government Code provisions relating to the use of dedicated revenue.

C.S.S.B. 1214 expands the purpose of the interest rate reduction program established by the board of directors of the Texas Agricultural Finance Authority to include fostering development or expansion of businesses in rural areas of Texas.

C.S.S.B. 1214 amends the Transportation Code to make a conforming change.

C.S.S.B. 1214 repeals Section 12.040(f), Agriculture Code.

EFFECTIVE DATE

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

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.S.B. 1214 may differ from the engrossed version in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

SENATE ENGROSSED

SECTION 1. Section 12.027, Agriculture Code, is amended.

SECTION 2. Chapter 12, Agriculture Code, is amended.

SECTION 3. Subsections (d), (g), and (i), Section 12.040, Agriculture Code, are amended to read as follows:

(d) To be eligible to be a Texas certified retirement community, a community shall:

(1) through a board or panel that serves as the community's official program sponsor:

(A) complete a retiree desirability assessment, as developed by the department, to include facts regarding crime statistics, tax information, recreational opportunities, housing availability, and other appropriate factors, including criteria listed in Subsection (e); and

(B) work to gain the support of churches, clubs, businesses, media, and other entities, as necessary for the success of the program in the community;

(2) identify emergency medical services and a hospital within a 75-mile radius of the community; and

(3) submit to the department:

(A) a ~~[an application]~~ fee in an amount equal to the greater of:

(i) \$5,000; or

(ii) \$0.25 multiplied by the population of the community, as determined by the most

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Same as engrossed version.

SECTION 2. Same as engrossed version.

SECTION 3. Subsections (d) and (g), Section 12.040, Agriculture Code, are amended to read as follows:

(d) To be eligible to be a Texas certified retirement community, a community shall:

(1) through a board or panel that serves as the community's official program sponsor:

(A) complete a retiree desirability assessment, as developed by the department, to include facts regarding crime statistics, tax information, recreational opportunities, housing availability, and other appropriate factors, including criteria listed in Subsection (e); and

(B) work to gain the support of churches, clubs, businesses, media, and other entities, as necessary for the success of the program in the community;

(2) identify emergency medical services and a hospital within a 75-mile radius of the community; and

(3) submit to the department:

(A) a ~~[an application]~~ fee in an amount equal to the greater of:

(i) \$5,000; or

(ii) \$0.25 multiplied by the population of the community, as determined by the most

recent census;

(B) a marketing plan detailing the mission as applied to the community, the target market, the competition, an analysis of the community's strengths, weaknesses, opportunities and dangers, and the strategies the community will employ to attain the goals of the program; and

(C) a long-term plan outlining the steps the community will undertake to maintain its desirability as a destination for retirees, including an outline of plans to correct any facility and service deficiencies identified in the retiree desirability assessment required by Subdivision (1)(A).

(g) If the department finds that a community successfully meets the requirements of a Texas certified retirement community, not later than the 90th day after the application is submitted and approved, the department shall provide ~~[the following]~~ assistance to the community as determined by department rule[:

~~[(1) assistance in the training of local staff and volunteers;~~

~~[(2) ongoing oversight and guidance in marketing, plus updates on retirement trends;~~

~~[(3) inclusion in the state's national advertising and public relations campaigns and travel show promotions, including a prominent feature on the department's Internet website, to be coordinated with the Internet websites of other agencies, as appropriate;~~

~~[(4) eligibility for state financial assistance for brochures, support material, and advertising; and~~

~~[(5) an evaluation and progress assessment on maintaining and improving the community's desirability as a home for retirees].~~

(i) The Texas certified retirement community program account is an account in the general revenue fund. The account is composed of fees collected under Subsection (d). Money in the account may be appropriated to the department only for the purposes of this section, including the payment of administrative and personnel costs of the department associated with administering the program. The account is exempt from the application of Section

recent census;

(B) a marketing plan detailing the mission as applied to the community, the target market, the competition, an analysis of the community's strengths, weaknesses, opportunities and dangers, and the strategies the community will employ to attain the goals of the program; and

(C) a long-term plan outlining the steps the community will undertake to maintain its desirability as a destination for retirees, including an outline of plans to correct any facility and service deficiencies identified in the retiree desirability assessment required by Subdivision (1)(A).

(g) If the department finds that a community successfully meets the requirements of a Texas certified retirement community, not later than the 90th day after the application is submitted and approved, the department shall provide ~~[the following]~~ assistance to the community as determined by department rule[:

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~~[(4) eligibility for state financial assistance for brochures, support material, and advertising; and~~

~~[(5) an evaluation and progress assessment on maintaining and improving the community's desirability as a home for retirees].~~

No equivalent provision.

SECTION 4. Subsection (a), Section 44.007, Agriculture Code, is amended.

SECTION 4. Same as engrossed version.

SECTION 5. Section 58.022, Agriculture Code, is amended.

SECTION 5. Same as engrossed version.

SECTION 6. Subsection (a), Section 58.053, Agriculture Code, is amended.

SECTION 6. Same as engrossed version.

SECTION 7. The heading to Section 502.404, Transportation Code, is amended.

SECTION 7. Same as engrossed version.

SECTION 8. Subsection (f), Section 12.040, Agriculture Code, is repealed.

SECTION 8. Same as engrossed version.

SECTION 9. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

SECTION 9. Same as engrossed version.