

By: Sheets

H.B. No. 1335

A BILL TO BE ENTITLED

AN ACT

1
2 relating to prohibiting a municipality from mandating the
3 compensation paid to workers under a project financed by an
4 economic development corporation receiving municipal money.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 380.002(b), Local Government Code, is
7 amended to read as follows:

8 (b) A home-rule municipality may, under a contract with a
9 development corporation created by the municipality under the
10 Development Corporation Act (Subtitle C1, Title 12), grant public
11 money to the corporation. The development corporation shall use the
12 grant money for the development and diversification of the economy
13 of the state, elimination of unemployment or underemployment in the
14 state, and development and expansion of commerce in the state. The
15 municipality may not mandate, including as a term of the contract or
16 as a prerequisite to entering into the contract with the
17 development corporation, the compensation to be paid to workers
18 during the construction of a project.

19 SECTION 2. The change in law made by this Act applies only
20 to a contract entered into on or after September 1, 2013. A
21 contract entered into before September 1, 2013, is governed by the
22 law as it existed on the date the contract was entered into, and the
23 former law is continued in effect for that purpose.

24 SECTION 3. This Act takes effect September 1, 2013.