

By: Schaefer

H.B. No. 1935

A BILL TO BE ENTITLED

AN ACT

relating to authorizing general infrastructure projects to be undertaken by economic development corporations.

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

SECTION 1. Section 501.004(a), Local Government Code, is amended to read as follows:

(a) The legislature finds that:

(1) the present and prospective right to gainful employment and the general welfare of the people of this state require as a public purpose the promotion and development of new and expanded business enterprises and of job training;

(2) the existence, development, and expansion of business, commerce, industry, higher education, and job training are essential to the economic growth of this state and to the full employment, welfare, and prosperity of residents of this state;

(3) the assistance provided by corporations in promoting higher education opportunities encourages and fosters the development and diversification of the economy of this state and the elimination of unemployment and underemployment in this state;

(4) the means authorized by this subtitle and the assistance provided by this subtitle, especially with respect to financing, are in the public interest and serve a public purpose of this state in promoting the welfare of the residents of this state

1 economically by securing and retaining business enterprises and as
2 a result maintaining a higher level of employment, economic
3 activity, and stability;

4 (5) community industrial development corporations in
5 this state have invested substantial money in successful industrial
6 development projects and have experienced difficulty in
7 undertaking additional industrial development projects because of
8 the partial inadequacy of the community industrial development
9 corporations' money or money potentially available from local
10 subscription sources and the limitations of local financial
11 institutions in providing additional and sufficiently large first
12 mortgage loans; ~~and~~

13 (6) communities in this state have been at a critical
14 disadvantage in competing with communities in other states for the
15 location or expansion of business enterprises because of the
16 availability and prevalent use in all other states of financing and
17 other special incentives, and, for that reason, the issuance of
18 revenue bonds under this subtitle by a corporation on behalf of
19 political subdivisions of this state for the promotion and
20 development of new and expanded business enterprises to provide and
21 encourage employment and the public welfare is in the public
22 interest and is a public purpose; and

23 (7) the development, improvement, maintenance, and
24 expansion of the general infrastructure of communities in this
25 state are essential to the development and diversification of the
26 economy of this state and to the economic growth of this state.

27 SECTION 2. Section 501.103, Local Government Code, is

amended to read as follows:

Sec. 501.103. GENERAL [CERTAIN] INFRASTRUCTURE
[IMPROVEMENT] PROJECTS. In this subtitle, "project" includes
expenditures that are found by the board of directors to be required
or suitable for general infrastructure, including ~~[necessary to
promote or develop new or expanded business enterprises, limited
to]~~:

(1) streets and roads, rail spurs, water and sewer
utilities, electric utilities, or gas utilities, drainage, site
improvements, and related improvements;

(2) telecommunications and Internet improvements;
~~[or]~~

(3) beach remediation along the Gulf of Mexico;

(4) transportation facilities;

(5) solid waste disposal facilities;

(6) sewage facilities;

(7) facilities for furnishing water to the general
public;

(8) air or water pollution control facilities;

(9) airports, including a general aviation business
service airport that is an integral part of an industrial park, or
airport-related facilities; and

(10) ports or port-related facilities to support
waterborne commerce.

SECTION 3. Sections 501.107, 504.103, and 505.304, Local
Government Code, are repealed.

SECTION 4. Section 504.251, Local Government Code, is

1 amended to read as follows:

2 Sec. 504.251. TAX AUTHORIZED. The authorizing municipality
3 may adopt a sales and use tax for the benefit of a Type A corporation
4 if the tax is approved by a majority of the voters of the
5 municipality voting at an election held for that purpose. An
6 election on the adoption of a proposed sales and use tax for the
7 benefit of a Type A Corporation has no effect unless 25 percent of
8 the registered voters of the municipality vote in the election in
9 which the adoption of the sales and use tax is on the ballot.

10 SECTION 5. Section 505.251, Local Government Code, is
11 amended to read as follows:

12 Sec. 505.251. TAX AUTHORIZED. The governing body of the
13 authorizing municipality by ordinance may adopt a sales and use tax
14 for the benefit of a Type B corporation if the tax is approved by a
15 majority of the voters of the municipality voting at an election
16 held for that purpose in accordance with Chapter 321, Tax Code. An
17 election on the adoption of a proposed sales and use tax for the
18 benefit of a Type B Corporation has no effect unless 25 percent of
19 the registered voters of the municipality vote in the election in
20 which the adoption of the sales and use tax is on the ballot.

21 SECTION 6. This Act takes effect immediately if it receives
22 a vote of two-thirds of all the members elected to each house, as
23 provided by Section 39, Article III, Texas Constitution. If this
24 Act does not receive the vote necessary for immediate effect, this
25 Act takes effect September 1, 2013.