1-1 By: Murphy (Senate Sponsor - Hinojosa) H.B. No. 1982
1-2 (In the Senate - Received from the House May 6, 2013;
1-3 May 7, 2013, read first time and referred to Committee on Economic
1-4 Development; May 13, 2013, reported favorably by the following
1-5 vote: Yeas 5, Nays 0; May 13, 2013, sent to printer.)

1-6 COMMITTEE VOTE

1-7		Yea	Nay	Absent	PNV
1-8	Deuell	X			
1-9	Hancock	X			
1-10	Birdwell			X	
1-11	Davis	X			
1-12	Eltife	X			
1-13	Fraser	X			
1-14	Watson			X	

A BILL TO BE ENTITLED AN ACT

relating to the enterprise zone program.

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

SECTION 1. Section 2303.004, Government Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

- (b) Notwithstanding Subsection (a), the governing body of a county [with a population of one million or more] may nominate for designation as an enterprise project a project or activity of a qualified business that is located within the jurisdiction of a municipality located in the county. [For purposes of this subsection, a county during any biennium may not use in any one municipality more than three of the maximum number of designations the county is permitted under Section 2303.406(d)(2).]
- the county is permitted under Section 2303.406(d)(2).]

 (c) Before a county makes a nomination under Subsection (b), the nominating county must enter into an interlocal agreement with the municipality that has jurisdiction of the territory in which the nominated project or activity will be located. The interlocal agreement must specify that either the nominating county or the municipality that has jurisdiction of the territory in which the nominated project or activity will be located is the governmental body having administration authority under Section 2303.201 and that both the nominating county and municipality approve the nomination. For purposes of this subsection, a county during any biennium may use the maximum number of designations the county is permitted under Section 2303.406(d) within the territory described by this subsection.

by this subsection.

SECTION 2. Section 2303.201, Government Code, is amended to read as follows:

Sec. 2303.201. ADMINISTRATION BY GOVERNING BODY. (a) The governing body of an enterprise zone is the governing body of the municipality or county with jurisdiction over the area designated as an enterprise zone, except as provided by Subsection (b).

(b) The governing body with administration authority over an enterprise project nominated under Section 2303.004(c) is determined under the terms of an interlocal agreement required by that subsection.

SECTION 3. Section 2303.4052, Government Code, is amended to read as follows:

Sec. 2303.4052. REQUIRED INFORMATION FROM NOMINATING BODY. Before nominating the project or activity of a qualified business for designation as an enterprise project, the nominating body must submit to the bank:

1-59 (1) a certified copy of the ordinance or order, as 1-60 appropriate, or reference to an ordinance or order as required 1-61 by Section 2303.4051;

H.B. No. 1982

- (2) a transcript of all public hearings conducted with 2-1 respect to local incentives available to qualified businesses 2-2 within the jurisdiction of the governmental entity nominating the project or activity, regardless of whether those businesses are 2-3 2-4 located in an enterprise zone; 2**-**5
 - (3) the name, title, address, telephone number, and electronic mail address of the nominating body's liaison designated under Section 2303.204;
 - if the business is seeking job retention benefits, (4)documentation showing the number of employment positions at the qualified business site; [and]
 - (5) any interlocal agreement required under Section 2303.004(c) that $\overline{\text{states}}$:
 - (A) which governing body has the administration
 - authority under Section 2303.201; and

 (B) that both the county in which the project or activity is located and the municipality in whose jurisdiction the project or activity is located approve the nomination of the project or activity; and
 - (6) any additional information the bank may require. SECTION 4. Section 2303.406, Government Code, is amended by adding Subsection (d-1) to read as follows:
 - An enterprise project designation may be split into two half designations. A half designation uses one-half of one of the enterprise project designations allowed to a nominating body under Subsection (d) and to the bank under Section 2303.403.

 SECTION 5. Section 2303.407, Government Code, is amended by
 - adding Subsection (e) to read as follows:
 - The maximum number of jobs that the bank may allocate to (e) an enterprise project split into two half designations as provided by Section 2303.406(d-1) is 250.

 SECTION 6. Section 2303.4071, Government Code, is amended
 - by amending Subsection (a) and adding Subsection (e) to read as follows:
 - (a)

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- In this section:
 (1) "Double [7"double] jumbo enterprise project" and "triple jumbo enterprise project" have the meanings assigned by
- Section 2303.407.

 (2) "Half enterprise project" means an enterprise project split into two half designations as provided by Section 2303.406(d-1).
- (e) A half enterprise project is eligible for a maximum refund not to exceed \$125,000 in each state fiscal year and is subject to the capital investment and job allocation requirements under Section 2303.407(b)(1), (2), or (3).

 SECTION 7. This Act takes effect immediately if it receives
- 2-46 2-47 a vote of two-thirds of all the members elected to each house, as 2-48 provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this 2-49 2-50 Act takes effect September 1, 2013.

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