

By: Hilderbran

H.B. No. 3591

A BILL TO BE ENTITLED

AN ACT

relating to state funding to support economic development;
providing for the imposition of a fee.

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

SECTION 1. Subtitle F, Title 4, Government Code, is amended
by adding Chapter 483 to read as follows:

CHAPTER 483. TEXAS ECONOMIC DEVELOPMENT FUND

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 483.001. DEFINITIONS. In this chapter:

(1) "Office" means the Texas Economic Development and
Tourism Office within the office of the governor.

(2) "Qualified investment" means:

(A) tangible personal property that is first
placed in service in this state during the applicable qualifying
time period that begins on or after January 1, 2014, without regard
to whether the property is affixed to or incorporated into real
property, and that is described as Section 1245 property by Section
1245(a), Internal Revenue Code of 1986;

(B) tangible personal property that is first
placed in service in this state during the applicable qualifying
time period that begins on or after January 1, 2014, without regard
to whether the property is affixed to or incorporated into real
property, and that is used in connection with the manufacturing,
processing, or fabrication in a cleanroom environment of a

1 semiconductor product, without regard to whether the property is
2 actually located in the cleanroom environment, including:

3 (i) integrated systems, fixtures, and
4 pipings;

5 (ii) all property necessary or adapted to
6 reduce contamination or to control airflow, temperature, humidity,
7 chemical purity, or other environmental conditions or
8 manufacturing tolerances; and

9 (iii) production equipment and machinery,
10 moveable cleanroom partitions, and cleanroom lighting;

11 (C) tangible personal property that is first
12 placed in service in this state during the applicable qualifying
13 time period that begins on or after January 1, 2014, without regard
14 to whether the property is affixed to or incorporated into real
15 property, and that is used in connection with the operation of a
16 nuclear electric power generation facility, including:

17 (i) property, including pressure vessels,
18 pumps, turbines, generators, and condensers, used to produce
19 nuclear electric power; and

20 (ii) property and systems necessary to
21 control radioactive contamination;

22 (D) tangible personal property that is first
23 placed in service in this state during the applicable qualifying
24 time period that begins on or after January 1, 2014, without regard
25 to whether the property is affixed to or incorporated into real
26 property, and that is used in connection with operating an
27 integrated gasification combined cycle electric generation

1 facility, including:

2 (i) property used to produce electric power
3 by means of a combined combustion turbine and steam turbine
4 application using synthetic gas or another product produced by the
5 gasification of coal or another carbon-based feedstock; or

6 (ii) property used in handling materials to
7 be used as feedstock for gasification or used in the gasification
8 process to produce synthetic gas or another carbon-based feedstock
9 for use in the production of electric power in the manner described
10 by Subparagraph (i);

11 (E) tangible personal property that is first
12 placed in service in this state during the applicable qualifying
13 time period that begins on or after January 1, 2014, without regard
14 to whether the property is affixed to or incorporated into real
15 property, and that is used in connection with operating an advanced
16 clean energy project, as defined by Section 382.003, Health and
17 Safety Code; or

18 (F) a building or a permanent, nonremovable
19 component of a building that is built or constructed during the
20 applicable qualifying time period that begins on or after January
21 1, 2014, and that houses tangible personal property described by
22 Paragraph (A), (B), (C), (D), or (E).

23 (3) "Qualified property" means:

24 (A) land:

25 (i) that is located in an area designated as
26 a reinvestment zone under Chapter 311 or 312, Tax Code, or as an
27 enterprise zone under Chapter 2303, Government Code;

1 (ii) on which a person proposes to
2 construct a new building or erect or affix a new improvement that
3 does not exist before the date the person applies for a rebate
4 payment under this chapter;

5 (iii) that is not subject to a tax abatement
6 agreement entered into by a school district under Chapter 312, Tax
7 Code; and

8 (iv) on which, in connection with the new
9 building or new improvement described by Subparagraph (ii), the
10 owner or lessee of, or the holder of another possessory interest in,
11 the land proposes to:

12 (a) make a qualified investment in an
13 amount equal to at least \$50 million; and

14 (b) create at least 25 new jobs;

15 (B) the new building or other new improvement
16 described by Paragraph (A)(ii); and

17 (C) tangible personal property that:

18 (i) is not subject to a tax abatement
19 agreement entered into by a school district under Chapter 312, Tax
20 Code; and

21 (ii) except for new equipment described in
22 Section 151.318(q) or (q-1), Tax Code, is first placed in service in
23 the new building or in or on the new improvement described by
24 Paragraph (A)(ii), or on the land on which that new building or new
25 improvement is located, if the personal property is ancillary and
26 necessary to the business conducted in that new building or in or on
27 that new improvement.

1 (4) "Qualifying job" means a permanent full-time job
2 that:

3 (A) requires at least 1,600 hours of work a year;

4 (B) is not transferred from one area in this
5 state to another area in this state;

6 (C) is not created to replace a previous
7 employee;

8 (D) is covered by a group health benefit plan for
9 which the business offers to pay at least 80 percent of the premiums
10 or other charges assessed for employee-only coverage under the
11 plan, regardless of whether an employee may voluntarily waive the
12 coverage; and

13 (E) pays at least 110 percent of:

14 (i) the county average weekly wage for
15 manufacturing jobs in the county where the job is located; or

16 (ii) the county average weekly wage for all
17 jobs in the county where the job is located, if the property owner
18 creates more than 1,000 jobs in that county.

19 (5) "Qualifying time period" means:

20 (A) the period that begins on the date that a
21 person's application for a rebate payment is approved by the office
22 and ends on December 31 of the second tax year that begins after
23 that date, except as provided by Paragraph (B) or (C) of this
24 subdivision;

25 (B) in connection with a nuclear electric power
26 generation facility, the first seven tax years that begin on or
27 after the third anniversary of the date the office approves the

1 property owner's application for a rebate under this chapter,
2 unless a shorter time period is agreed to by the office and the
3 property owner; or

4 (C) in connection with an advanced clean energy
5 project, as defined by Section 382.003, Health and Safety Code, the
6 first five tax years that begin on or after the third anniversary of
7 the date the office approves the property owner's application for a
8 rebate under this chapter, unless a shorter time period is agreed to
9 by the office and the property owner.

10 (6) "County average weekly wage for manufacturing
11 jobs" means:

12 (A) the average weekly wage in a county for
13 manufacturing jobs during the most recent four quarterly periods
14 for which data is available at the time a person submits an
15 application for a rebate payment under this chapter, as computed by
16 the Texas Workforce Commission; or

17 (B) the average weekly wage for manufacturing
18 jobs in the region designated for the regional planning commission,
19 council of governments, or similar regional planning agency created
20 under Chapter 391, Local Government Code, in which the county is
21 located during the most recent four quarterly periods for which
22 data is available at the time a person submits an application for a
23 rebate payment under this chapter, as computed by the Texas
24 Workforce Commission.

25 Sec. 483.002. PURPOSES. The purposes of this chapter are
26 to:

27 (1) encourage large-scale capital investments in this

1 state, especially in school districts that have an ad valorem tax
2 base that is less than the statewide average ad valorem tax base of
3 school districts in this state;

4 (2) create new, high-paying jobs in this state;

5 (3) attract to this state new, large-scale businesses
6 that are exploring opportunities to locate in other states or other
7 countries;

8 (4) enable this state to compete with other states by
9 authorizing economic development incentives that meet or exceed
10 incentives being offered to prospective employers by other states
11 and to provide this state with an effective means to attract
12 large-scale investment;

13 (5) strengthen and improve the overall performance of
14 the economy of this state;

15 (6) expand and enlarge the ad valorem property tax
16 base of this state; and

17 (7) enhance this state's economic development efforts
18 by providing this state with an effective economic development
19 option.

20 Sec. 483.003. EXPIRATION OF PROGRAM AND CHAPTER. (a) The
21 rebate program established under this chapter terminates December
22 31, 2020.

23 (b) This chapter expires January 1, 2021.

24 SUBCHAPTER B. TEXAS ECONOMIC DEVELOPMENT FUND

25 Sec. 483.051. TEXAS ECONOMIC DEVELOPMENT FUND. (a) The
26 Texas Economic Development Fund is a dedicated account in the
27 general revenue fund.

1 (b) The following amounts shall be deposited in the fund:

2 (1) any amounts appropriated by the legislature for
3 the fund for the purposes of this chapter;

4 (2) any rebate payments that are returned as provided
5 by Subchapter D;

6 (3) interest earned on the investment of money in the
7 fund; and

8 (4) gifts, grants, and other donations received for
9 the fund.

10 (c) Except as provided by Subsection (d), money in the fund
11 may be used only for the purposes of this chapter.

12 (d) The fund may be temporarily used by the comptroller for
13 cash management purposes.

14 (e) The administration of the fund is considered to be a
15 trusteed program within the office.

16 SUBCHAPTER C. ELIGIBLE PROPERTY

17 Sec. 483.101. ELIGIBLE PROPERTY. (a) In this section:

18 (1) "Computer center" means an establishment
19 primarily engaged in providing electronic data processing and
20 information storage.

21 (2) "Integrated gasification combined cycle
22 technology" means technology used to produce electricity in a
23 combined combustion turbine and steam turbine application using
24 synthetic gas or another product produced from the gasification of
25 coal or another carbon-based feedstock, including related
26 activities such as materials-handling and gasification of coal or
27 another carbon-based feedstock.

1 (3) "Manufacturing" means an establishment primarily
2 engaged in activities described in sectors 31-33 of the 2007 North
3 American Industry Classification System.

4 (4) "Nuclear electric power generation" means
5 activities described in category 221113 of the 2002 North American
6 Industry Classification System.

7 (5) "Renewable energy electric generation" means an
8 establishment primarily engaged in activities described in
9 category 221119 of the 1997 North American Industry Classification
10 System.

11 (6) "Research and development" means an establishment
12 primarily engaged in activities described in category 541710 of the
13 2002 North American Industry Classification System.

14 (b) This chapter applies only to property owned by an entity
15 to which Chapter 171, Tax Code, applies.

16 (c) To be eligible for a rebate payment under this chapter,
17 the entity must use the property in connection with:

18 (1) manufacturing;

19 (2) research and development;

20 (3) a clean coal project, as defined by Section 5.001,
21 Water Code;

22 (4) an advanced clean energy project, as defined by
23 Section 382.003, Health and Safety Code;

24 (5) renewable energy electric generation;

25 (6) electric power generation using integrated
26 gasification combined cycle technology;

27 (7) nuclear electric power generation; or

1 (8) a computer center primarily used in connection
2 with one or more activities described by Subdivisions (1) through
3 (7) conducted by the entity.

4 (d) For purposes of determining an applicant's eligibility
5 for a rebate payment under this chapter:

6 (1) the land on which a building or component of a
7 building described by Section 483.001(2)(E) is located is not
8 considered a qualified investment;

9 (2) property that is leased under a capitalized lease
10 may be considered a qualified investment;

11 (3) property that is leased under an operating lease
12 may not be considered a qualified investment; and

13 (4) property that is owned by a person other than the
14 applicant and that is pooled or proposed to be pooled with property
15 owned by the applicant may not be included in determining the amount
16 of the applicant's qualifying investment.

17 (e) To be eligible for a rebate payment under this chapter,
18 at least 80 percent of all the new jobs created by the property
19 owner must be qualifying jobs as defined by Section 483.001.

20 SUBCHAPTER D. REBATE PAYMENT PROGRAM

21 Sec. 483.151. REBATE PAYMENT PROGRAM. The office shall
22 establish and administer a program to make rebate payments from
23 money appropriated from the Texas Economic Development Fund under
24 Section 483.051 to a person who:

25 (1) owns qualified property that meets the eligibility
26 requirements of this chapter;

27 (2) makes the minimum amount of qualified investment

1 on or in connection with the person's qualified property during the
2 qualifying time period; and

3 (3) creates the required number of qualifying jobs
4 during each year of the agreement.

5 Sec. 483.152. APPLICATION FOR REBATE PAYMENTS. (a) The
6 owner or lessee of, or the holder of another possessory interest in,
7 any qualified property described by Section 483.001(3)(A), (B), or
8 (C) may apply to the office to receive rebate payments under this
9 chapter.

10 (b) An application must be made on the form prescribed by
11 the office and include the information required by the office, and
12 it must be accompanied by:

13 (1) an application fee established by the office;

14 (2) information sufficient to show that the real and
15 personal property identified in the application as qualified
16 property meets the applicable criteria established by Section
17 483.001(3); and

18 (3) information necessary to allow the comptroller to
19 make the determination required by Section 483.153.

20 (c) Not later than the 10th day after the date the office
21 receives an application under this section, the office shall submit
22 a copy of the application and the proposed agreement between the
23 applicant and the governor to the comptroller.

24 Sec. 483.153. DETERMINATION BY COMPTROLLER. (a) Not later
25 than the 91st day after the date the comptroller receives the copy
26 of the application and the proposed agreement, the comptroller
27 shall:

1 (1) determine whether the fiscal benefit to the state
2 of the proposed qualified investment exceeds the comptroller's
3 estimate of rebate payments to be made under the proposed agreement
4 by more than five percent; and

5 (2) certify that determination to the office.

6 (b) In making the determination under this section, the
7 comptroller shall use accepted revenue estimating techniques,
8 including dynamic modeling.

9 (c) For purposes of this section, the fiscal benefit to the
10 state is the sum of the comptroller's estimate of:

11 (1) the additional state tax revenue that is directly
12 attributable to the proposed qualified investment that will be
13 generated during the term of the proposed agreement; and

14 (2) the amount of school district taxes for
15 maintenance and operations that will be imposed on the increase in
16 appraised value of the qualified property during the term of the
17 proposed agreement that is attributable to the making of the
18 proposed qualified investment.

19 Sec. 483.154. APPROVAL OF APPLICATION. The office shall
20 approve an application for a rebate payment if:

21 (1) the office determines that the real and personal
22 property identified in the application as qualified property meets
23 the applicable criteria established by Section 483.001(3);

24 (2) the comptroller certifies to the office under
25 Section 483.153 that the fiscal benefit to the state of the proposed
26 qualified investment exceeds the comptroller's estimate of rebate
27 payments to be made under the proposed agreement by more than five

1 percent; and

2 (3) the office determines that granting approval of
3 the application is in the best interest of this state.

4 Sec. 483.155. REBATE PAYMENT AGREEMENT. (a) If the office
5 approves the application, the governor shall enter into a written
6 agreement with the applicant that:

7 (1) describes with specificity the investment that the
8 person will make on or in connection with the person's qualified
9 property during the qualifying time period and the number of
10 qualifying jobs that will be created during each year of the
11 agreement;

12 (2) specifies the ad valorem tax years covered by the
13 agreement;

14 (3) states that the office will annually monitor the
15 person's compliance with the terms of the agreement, including the
16 minimum investment requirements to be made by the person; and

17 (4) states that if the office finds that the person has
18 not met the minimum investment or job creation requirements for the
19 reporting year:

20 (A) the person may not receive a rebate for that
21 year; or

22 (B) if the rebate has been paid for that year, the
23 person shall repay the rebate and any related interest to the state
24 at the agreed rate and on the agreed terms.

25 (b) The term of a rebate payment agreement may not exceed 10
26 years.

27 Sec. 483.156. PAYMENT OF REBATE. (a) The office shall pay a

1 rebate under the program for an ad valorem tax year to a person who
2 is eligible for the payment on the first anniversary of the date the
3 person pays the taxes imposed by the applicable school district on
4 the qualified property.

5 (b) The amount of the rebate is equal to the amount of school
6 district taxes for maintenance and operations imposed in that ad
7 valorem tax year on the increase in appraised value of the qualified
8 property that is attributable to the making of the proposed
9 qualified investment.

10 Sec. 483.157. MONITORING BY COMPTROLLER. (a) The
11 comptroller shall monitor the fiscal benefit to the state of a
12 qualified investment made by a rebate recipient each year under
13 this chapter.

14 (b) If the comptroller determines that for any year the
15 fiscal benefit to the state is less than the amount required to
16 qualify for receipt of a rebate under this chapter, the comptroller
17 shall certify that fact to the office and the recipient may not
18 receive a rebate for that year. If the office has paid a rebate to
19 the recipient before receiving the comptroller's certification
20 under this subsection, the recipient must return the rebate payment
21 for that year to the office.

22 Sec. 483.158. REPORT ON COMPLIANCE WITH AGREEMENTS. (a)
23 Before the beginning of each regular session of the legislature,
24 the office shall submit to the lieutenant governor, the speaker of
25 the house of representatives, and each other member of the
26 legislature a report assessing the progress of each agreement made
27 under this chapter. The report must be based on data certified to

1 the office by each recipient of a rebate payment under this chapter
2 and state for each agreement:

3 (1) the number of qualifying jobs each recipient of a
4 rebate payment committed to create;

5 (2) the number of qualifying jobs each recipient
6 created;

7 (3) the median wage of the new jobs each recipient
8 created;

9 (4) the amount of the qualified investment each
10 recipient committed to spend or allocate for each project;

11 (5) the amount of the qualified investment each
12 recipient spent or allocated for each project;

13 (6) the amount of the rebate payment received per year
14 by each recipient;

15 (7) the number of new jobs created by each recipient in
16 each sector of the North American Industry Classification System;
17 and

18 (8) of the number of new jobs each recipient created,
19 the number of jobs created that provide health benefits for
20 employees.

21 (b) The report may not include information that is
22 confidential by law.

23 (c) The office may require a recipient to submit, on a form
24 the comptroller provides, information required to complete the
25 report.

26 Sec. 483.159. RULES AND FORMS. The office shall adopt rules
27 and forms necessary for the implementation and administration of

1 this chapter.

2 SECTION 2. The heading to Section 42.2515, Education Code,
3 is amended to read as follows:

4 Sec. 42.2515. ADDITIONAL STATE AID FOR AD VALOREM TAX
5 CREDITS UNDER FORMER TEXAS ECONOMIC DEVELOPMENT ACT.

6 SECTION 3. Section 42.2515(a), Education Code, is amended
7 to read as follows:

8 (a) For each school year, a school district, including a
9 school district that is otherwise ineligible for state aid under
10 this chapter, is entitled to state aid in an amount equal to the
11 amount of all tax credits credited against ad valorem taxes of the
12 district in that year under former Subchapter D, Chapter 313, Tax
13 Code.

14 SECTION 4. Section 42.302(e), Education Code, is amended to
15 read as follows:

16 (e) For purposes of this section, school district taxes for
17 which credit is granted under former Subchapter D, Chapter 313, Tax
18 Code, are considered taxes collected by the school district as if
19 the taxes were paid when the credit for the taxes was granted.

20 SECTION 5. Sections 403.302(d) and (m), Government Code,
21 are amended to read as follows:

22 (d) For the purposes of this section, "taxable value" means
23 the market value of all taxable property less:

24 (1) the total dollar amount of any residence homestead
25 exemptions lawfully granted under Section 11.13(b) or (c), Tax
26 Code, in the year that is the subject of the study for each school
27 district;

1 (2) one-half of the total dollar amount of any
2 residence homestead exemptions granted under Section 11.13(n), Tax
3 Code, in the year that is the subject of the study for each school
4 district;

5 (3) the total dollar amount of any exemptions granted
6 before May 31, 1993, within a reinvestment zone under agreements
7 authorized by Chapter 312, Tax Code;

8 (4) subject to Subsection (e), the total dollar amount
9 of any captured appraised value of property that:

10 (A) is within a reinvestment zone created on or
11 before May 31, 1999, or is proposed to be included within the
12 boundaries of a reinvestment zone as the boundaries of the zone and
13 the proposed portion of tax increment paid into the tax increment
14 fund by a school district are described in a written notification
15 provided by the municipality or the board of directors of the zone
16 to the governing bodies of the other taxing units in the manner
17 provided by former Section 311.003(e), Tax Code, before May 31,
18 1999, and within the boundaries of the zone as those boundaries
19 existed on September 1, 1999, including subsequent improvements to
20 the property regardless of when made;

21 (B) generates taxes paid into a tax increment
22 fund created under Chapter 311, Tax Code, under a reinvestment zone
23 financing plan approved under Section 311.011(d), Tax Code, on or
24 before September 1, 1999; and

25 (C) is eligible for tax increment financing under
26 Chapter 311, Tax Code;

27 (5) the total dollar amount of any captured appraised

1 value of property that:

2 (A) is within a reinvestment zone:

3 (i) created on or before December 31, 2008,
4 by a municipality with a population of less than 18,000; and

5 (ii) the project plan for which includes
6 the alteration, remodeling, repair, or reconstruction of a
7 structure that is included on the National Register of Historic
8 Places and requires that a portion of the tax increment of the zone
9 be used for the improvement or construction of related facilities
10 or for affordable housing;

11 (B) generates school district taxes that are paid
12 into a tax increment fund created under Chapter 311, Tax Code; and

13 (C) is eligible for tax increment financing under
14 Chapter 311, Tax Code;

15 (6) the total dollar amount of any exemptions granted
16 under Section 11.251 or 11.253, Tax Code;

17 (7) the difference between the comptroller's estimate
18 of the market value and the productivity value of land that
19 qualifies for appraisal on the basis of its productive capacity,
20 except that the productivity value estimated by the comptroller may
21 not exceed the fair market value of the land;

22 (8) the portion of the appraised value of residence
23 homesteads of individuals who receive a tax limitation under
24 Section 11.26, Tax Code, on which school district taxes are not
25 imposed in the year that is the subject of the study, calculated as
26 if the residence homesteads were appraised at the full value
27 required by law;

1 (9) a portion of the market value of property not
2 otherwise fully taxable by the district at market value because of:

3 (A) action required by statute or the
4 constitution of this state that, if the tax rate adopted by the
5 district is applied to it, produces an amount equal to the
6 difference between the tax that the district would have imposed on
7 the property if the property were fully taxable at market value and
8 the tax that the district is actually authorized to impose on the
9 property, if this subsection does not otherwise require that
10 portion to be deducted; or

11 (B) action taken by the district under Subchapter
12 B or C, Chapter 313, Tax Code, before the repeal [~~expiration~~] of
13 that chapter [~~the subchapter~~];

14 (10) the market value of all tangible personal
15 property, other than manufactured homes, owned by a family or
16 individual and not held or used for the production of income;

17 (11) the appraised value of property the collection of
18 delinquent taxes on which is deferred under Section 33.06, Tax
19 Code;

20 (12) the portion of the appraised value of property
21 the collection of delinquent taxes on which is deferred under
22 Section 33.065, Tax Code; and

23 (13) the amount by which the market value of a
24 residence homestead to which Section 23.23, Tax Code, applies
25 exceeds the appraised value of that property as calculated under
26 that section.

27 (m) Subsection (d)(9) does not apply to property that was

1 the subject of an application under former Subchapter B or C,
2 Chapter 313, Tax Code, made after May 1, 2009, that the comptroller
3 recommended should be disapproved.

4 SECTION 6. Section 2303.507, Government Code, is amended to
5 read as follows:

6 Sec. 2303.507. TAX INCREMENT FINANCING AND ABATEMENT[+
7 ~~LIMITATIONS ON APPRAISED VALUE~~]. Designation of an area as an
8 enterprise zone is also designation of the area as a reinvestment
9 zone for:

- 10 (1) tax increment financing under Chapter 311, Tax
11 Code; and
12 (2) tax abatement under Chapter 312, Tax Code[+~~and~~
13 [~~(3) limitations on appraised value under Chapter 313,~~
14 ~~Tax Code~~].

15 SECTION 7. Section 23.03, Tax Code, is amended to read as
16 follows:

17 Sec. 23.03. COMPILATION OF LARGE PROPERTIES AND PROPERTIES
18 SUBJECT TO LIMITATION ON APPRAISED VALUE. Each year the chief
19 appraiser shall compile and send to the Texas [~~Department of~~
20 Economic Development and Tourism Office a list of properties in the
21 appraisal district that in that tax year:

- 22 (1) have a market value of \$100 million or more; or
23 (2) are subject to a limitation on appraised value
24 under former Chapter 313.

25 SECTION 8. Section 26.012(6), Tax Code, is amended to read
26 as follows:

- 27 (6) "Current total value" means the total taxable

1 value of property listed on the appraisal roll for the current year,
2 including all appraisal roll supplements and corrections as of the
3 date of the calculation, less the taxable value of property
4 exempted for the current tax year for the first time under Section
5 11.31, except that:

6 (A) the current total value for a school district
7 excludes:

8 (i) the total value of homesteads that
9 qualify for a tax limitation as provided by Section 11.26; and

10 (ii) new property value of property that is
11 subject to an agreement entered into under former Chapter 313; and

12 (B) the current total value for a county,
13 municipality, or junior college district excludes the total value
14 of homesteads that qualify for a tax limitation provided by Section
15 11.261.

16 SECTION 9. Section 312.403(a), Tax Code, is amended to read
17 as follows:

18 (a) In this section, "nuclear electric power generation"
19 means activities described in category 221113 of the 2002 North
20 American Industry Classification System [~~has the meaning assigned~~
21 ~~by Section 313.024(e)~~].

22 SECTION 10. Chapter 320, Tax Code, is amended by adding
23 Section 320.002 to read as follows:

24 Sec. 320.002. SAVING PROVISIONS AFTER REPEAL OF CHAPTER
25 313. (a) A limitation on appraised value approved under Subchapter
26 B or C, Chapter 313, before the repeal of that subchapter continues
27 in effect according to that subchapter as that subchapter existed

1 immediately before its repeal, and that law is continued in effect
2 for purposes of the limitation on appraised value.

3 (b) The repeal of Subchapter D, Chapter 313, does not affect
4 a property owner's entitlement to a tax credit granted under that
5 subchapter if the property owner qualified for the tax credit
6 before the repeal of that subchapter.

7 SECTION 11. The following provisions of the Tax Code are
8 repealed:

- 9 (1) Section 312.0025; and
10 (2) Chapter 313.

11 SECTION 12. This Act takes effect January 1, 2014.