

By: Schwertner

S.B. No. 1214

A BILL TO BE ENTITLED

AN ACT

relating to certain economic development programs administered by the Department of Agriculture.

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

SECTION 1. Section 12.027, Agriculture Code, is amended by amending Subsections (b) and (d) and adding Subsection (g) to read as follows:

(b) In administering the program, the department shall:

(1) promote economic growth in rural areas;

(2) identify potential opportunities for business in rural areas and assist rural communities in maximizing those opportunities;

(3) work with rural communities to identify economic development needs and direct those communities to persons who can address and assist in meeting those needs;

(4) encourage communication between organizations, industries, and regions to improve economic and community development services to rural areas;

(5) coordinate meetings with public and private entities to distribute information beneficial to rural areas;

(6) enter into a memorandum of agreement to work cooperatively with the Texas ~~[Department of]~~ Economic Development and Tourism Office, the Texas A&M AgriLife ~~[Agricultural]~~ Extension Service, and other entities the department deems appropriate to

1 further program objectives; and

2 (7) perform any other functions necessary to carry out  
3 the program.

4 (d) The department by rule may charge a membership fee to a  
5 ~~each~~ participant in the program.

6 (g) In addition to the department's authority under  
7 Subsection (a), the department may request, accept, and use any  
8 gift, grant, loan, donation, aid, appropriation, guaranty,  
9 allocation, subsidy, or contribution of any item of value to  
10 further an economic development program in this state.

11 SECTION 2. Chapter 12, Agriculture Code, is amended by  
12 adding Section 12.0272 to read as follows:

13 Sec. 12.0272. TEXAS ECONOMIC DEVELOPMENT FUND. (a) The  
14 Texas economic development fund is a fund in the state treasury.  
15 The fund consists of:

16 (1) all interest, income, revenue, and other assets  
17 associated with economic development programs established using  
18 money allocated and paid to the department under the August 15,  
19 2011, allocation agreement between the department and the United  
20 States Department of the Treasury, as amended, to implement the  
21 State Small Business Credit Initiative Act of 2010 (12 U.S.C.  
22 Section 5701 et seq.);

23 (2) all money, deposits, distributions, dividends,  
24 earnings, gain, income, interest, proceeds, profits, program  
25 income, rents, returns of capital, returns on investments,  
26 royalties, revenue, or yields received or realized by the  
27 department as a result of an investment made by or on behalf of the

1 department pursuant to the August 15, 2011, allocation agreement  
2 between the department and the United States Department of the  
3 Treasury, as amended;

4 (3) gifts, loans, donations, aid, appropriations,  
5 guaranties, allocations, subsidies, grants, or contributions  
6 received under Section 12.027(g);

7 (4) interest and income earned on the investment of  
8 money in the fund; and

9 (5) other money required by law to be deposited in the  
10 fund.

11 (b) Money in the Texas economic development fund may be  
12 appropriated only to the department for the purpose of  
13 administering, establishing, implementing, or maintaining an  
14 economic development program under this section and is dedicated to  
15 and may be used only for the administration, establishment,  
16 implementation, or maintenance of one or more of the department's  
17 economic development programs.

18 (c) The Texas economic development fund is exempt from  
19 Section 403.095, Government Code.

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

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

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

26 (A) complete a retiree desirability assessment,  
27 as developed by the department, to include facts regarding crime

1 statistics, tax information, recreational opportunities, housing  
2 availability, and other appropriate factors, including criteria  
3 listed in Subsection (e); and

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

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

9 (3) submit to the department:

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

12 (i) \$5,000; or

13 (ii) \$0.25 multiplied by the population of  
14 the community, as determined by the most recent census;

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

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

25 (g) If the department finds that a community successfully  
26 meets the requirements of a Texas certified retirement community,  
27 not later than the 90th day after the application is submitted and

1 approved, the department shall provide [~~the following~~] assistance  
2 to the community as determined by department rule[+]

3 [~~(1) assistance in the training of local staff and~~  
4 ~~volunteers,~~

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

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

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

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

17 (i) The Texas certified retirement community program  
18 account is an account in the general revenue fund. The account is  
19 composed of fees collected under Subsection (d). Money in the  
20 account may be appropriated to the department only for the purposes  
21 of this section, including the payment of administrative and  
22 personnel costs of the department associated with administering the  
23 program. The account is exempt from the application of Section  
24 403.095, Government Code.

25 SECTION 4. Subsection (a), Section 44.007, Agriculture  
26 Code, is amended to read as follows:

27 (a) The board shall establish an interest rate reduction

1 program to foster the:

2           (1) creation and expansion of enterprises based on  
3 agriculture in this state; or

4           (2) development or expansion of businesses in rural  
5 areas of this state.

6           SECTION 5. Section 58.022, Agriculture Code, is amended to  
7 read as follows:

8           Sec. 58.022. POWERS OF AUTHORITY. The authority has all  
9 powers necessary to accomplish the purposes and programs of the  
10 authority, including the power:

11           (1) to adopt and enforce bylaws, rules, and procedures  
12 and perform all functions necessary for the board to carry out this  
13 chapter;

14           (2) to sue and be sued, complain, and defend, in its  
15 own name;

16           (3) to adopt and use an official seal and alter it when  
17 considered advisable;

18           (4) to acquire, hold, invest, use, pledge, and dispose  
19 of its revenues, income, receipts, funds, and money from every  
20 source and to select one or more depositories, inside or outside the  
21 state, subject to this chapter, any resolution, bylaws, or in any  
22 indenture pursuant to which the funds are held;

23           (5) to establish, charge, and collect fees, charges,  
24 and penalties in connection with the programs, services, and  
25 activities provided by the authority in accordance with this  
26 chapter;

27           (6) to issue its bonds, to provide for and secure the

1 payment of the bonds, and provide for the rights of the owners of  
2 the bonds, in the manner and to the extent permitted by this  
3 chapter, and to purchase, hold, cancel, or resell or otherwise  
4 dispose of its bonds, subject to any restrictions in any resolution  
5 authorizing the issuance of its bonds;

6           (7) to procure insurance and pay premiums on insurance  
7 of any type, in amounts, and from insurers as the board considers  
8 necessary and advisable to accomplish any of its purposes;

9           (8) to make, enter into, and enforce contracts,  
10 agreements, including management agreements, for the management of  
11 any of the authority's property, leases, indentures, mortgages,  
12 deeds of trust, security agreements, pledge agreements, credit  
13 agreements, and other instruments with any person, including any  
14 lender and any federal, state, or local governmental agency, and to  
15 take other actions as may accomplish any of its purposes;

16           (9) to own, rent, lease, or otherwise acquire, accept,  
17 or hold real, personal, or mixed property, or any interest in  
18 property in performing its duties and exercising its powers under  
19 this chapter, by purchase, exchange, gift, assignment, transfer,  
20 foreclosure, mortgage, sale, lease, or otherwise and to hold,  
21 manage, operate, or improve real, personal, or mixed property,  
22 wherever situated;

23           (10) to sell, lease, encumber, mortgage, exchange,  
24 donate, convey, or otherwise dispose of any or all of its properties  
25 or any interest in its properties, deed of trust or mortgage lien  
26 interest owned by it or under its control, custody, or in its  
27 possession, and release or relinquish any right, title, claim,

1 lien, interest, easement, or demand however acquired, including any  
2 equity or right of redemption in property foreclosed by it, and to  
3 do any of the foregoing by public or private sale, with or without  
4 public bidding, notwithstanding any other law; and to lease or rent  
5 any improvements, lands, or facilities from any person to effect  
6 the purposes of this chapter;

7           (11) to request, accept, and use gifts, loans,  
8 donations, aid, appropriations, guaranties, allocations,  
9 subsidies, grants, or contributions of any item of value for the  
10 furtherance of any of its purposes;

11           (12) to make secured or unsecured loans for the  
12 purpose of providing temporary or permanent financing or  
13 refinancing for eligible agricultural businesses for the purposes  
14 authorized by this chapter, including the refunding of outstanding  
15 obligations, mortgages, or advances issued for those purposes, and  
16 charge and collect interest on those loans for such loan payments  
17 and on such terms and conditions as the board may consider advisable  
18 and not in conflict with this chapter;

19           (13) to secure the payment by the state or the  
20 authority on guarantees and to pay claims from money in the  
21 authority's funds pursuant to the loan guarantee and insurance  
22 programs implemented by the authority;

23           (14) to purchase or acquire, sell, discount, assign,  
24 negotiate, and otherwise dispose of notes, debentures, bonds, or  
25 other evidences of indebtedness of eligible agricultural  
26 businesses, whether unsecured or secured, as the board may  
27 determine, or portions or portfolios of or participations in those



1 evidences of indebtedness, and sell and guarantee securities,  
2 whether taxable or tax exempt under federal law in primary and  
3 secondary markets in furtherance of any of the authority's  
4 purposes; and

5 (15) to exercise all powers given to a corporation  
6 under Chapter 22, Business Organizations Code [~~the Texas Non-Profit~~  
7 ~~Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil~~  
8 ~~Statutes)~~], to the extent not inconsistent with this chapter.

9 SECTION 6. Subsection (a), Section 58.053, Agriculture  
10 Code, is amended to read as follows:

11 (a) An eligible applicant's documentation shall include the  
12 following for the board's review:

13 (1) the plan, as submitted to the lender, for the  
14 applicant's proposed farm or ranch operation or  
15 agriculture-related business to be financed that includes a budget  
16 for the proposed operation;

17 (2) a completed application for a loan from a  
18 commercial lender on which an eligible applicant has indicated how  
19 the loan proceeds will be used to implement the applicant's plan;  
20 and

21 (3) the signed statement of a loan officer of the  
22 commercial lender that a loan guarantee is requested [~~required~~] for  
23 approval of the loan application.

24 SECTION 7. The heading to Section 502.404, Transportation  
25 Code, is amended to read as follows:

26 Sec. 502.404. VOLUNTARY ASSESSMENT FOR TEXAS AGRICULTURAL  
27 FINANCE AUTHORITY [~~YOUNG FARMER LOAN GUARANTEES~~].

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

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