

1-1 By: Davis S.B. No. 1391
1-2 (In the Senate - Filed March 7, 2013; March 18, 2013, read
1-3 first time and referred to Committee on Economic Development;
1-4 April 29, 2013, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 7, Nays 0; April 29, 2013,
1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	Deuell	X		
1-10	Hancock	X		
1-11	Birdwell	X		
1-12	Davis	X		
1-13	Eltife	X		
1-14	Fraser	X		
1-15	Watson	X		

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 1391 By: Davis

1-17 A BILL TO BE ENTITLED
1-18 AN ACT

1-19 relating to a requirement that the comptroller perform a study of
1-20 the Texas Economic Development Act.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. STUDY OF TEXAS ECONOMIC DEVELOPMENT ACT.
1-23 (a) The comptroller of public accounts shall conduct a study of
1-24 the Texas Economic Development Act. The purpose of the study is to
1-25 determine:

1-26 (1) if the Act, as implemented:

1-27 (A) accomplishes the intended purposes of the
1-28 Act, as stated in Section 313.003, Tax Code; and

1-29 (B) complies with the intent of the legislature
1-30 in enacting the Act, as expressed in Section 313.004, Tax Code; and

1-31 (2) if legislative action is needed to increase the
1-32 efficiency or effectiveness of any part of the Act.

1-33 (b) The comptroller of public accounts shall conduct an
1-34 in-depth and cumulative study of certain agreements entered into
1-35 under Chapter 313, Tax Code, as determined under this subsection.
1-36 To determine the agreements to study, the comptroller shall perform
1-37 risk assessments on each agreement entered into under Chapter 313,
1-38 Tax Code, that is active on the effective date of this Act. In
1-39 addition to the requirements of a risk assessment prescribed by
1-40 Chapter 321, Government Code, a risk assessment conducted under
1-41 this subsection must specifically consider the items listed in
1-42 Subsection (a), Section 313.009, Tax Code, and whether the
1-43 qualifying period for the agreement has expired. The comptroller
1-44 shall select five energy-related agreements and five
1-45 manufacturing-related agreements under Chapter 313, Tax Code, that
1-46 pose the greatest risk to the state, as identified by the risk
1-47 assessment conducted under this subsection, on which to conduct an
1-48 in-depth study.

1-49 (c) In conducting the study required by Subsection (a) of
1-50 this section, the comptroller of public accounts must:

1-51 (1) determine for each of the 10 agreements
1-52 identified:

1-53 (A) if the terms of the agreement were
1-54 implemented in a manner that complies with Sections 313.003 and
1-55 313.004, Tax Code;

1-56 (B) what changes to Chapter 313, Tax Code, if
1-57 any, would increase the effectiveness and efficiency of the
1-58 administration of the agreement;

1-59 (C) the number of jobs actually created, and the
1-60 median wage for the new jobs created, under the agreement; and

2-1 (D) whether any requirements relating to the
2-2 number of jobs, or the wages paid for those jobs, specified in the
2-3 agreement were waived; and

2-4 (2) consider the entire period the agreement has been
2-5 in effect when making the determinations required under Subdivision
2-6 (1) of this subsection.

2-7 (d) The comptroller of public accounts may require a party
2-8 to an agreement under Chapter 313, Tax Code, to submit information
2-9 to complete the study required by this Act.

2-10 (e) At the comptroller of public accounts' request, the
2-11 state auditor may assist the comptroller in conducting the study
2-12 required by this Act.

2-13 SECTION 2. REPORT. (a) Not later than December 1, 2014,
2-14 the comptroller of public accounts shall submit a report of the
2-15 results of the study to the governor and the legislature.

2-16 (b) The report must include:

2-17 (1) a complete discussion of each agreement studied by
2-18 the comptroller of public accounts; and

2-19 (2) the comptroller's recommendations, based on the
2-20 study's findings, of ways to increase the effectiveness and
2-21 efficiency of agreements entered into under Chapter 313, Tax Code.

2-22 (c) If the report recommends amending a provision of Chapter
2-23 313, Tax Code, the comptroller of public accounts shall include
2-24 proposed legislation necessary to implement the suggested
2-25 amendment.

2-26 (d) The report may not include information that is
2-27 confidential by law.

2-28 SECTION 3. EXPIRATION DATE. This Act expires January 1,
2-29 2015.

2-30 SECTION 4. EFFECTIVE DATE. This Act takes effect
2-31 immediately if it receives a vote of two-thirds of all the members
2-32 elected to each house, as provided by Section 39, Article III, Texas
2-33 Constitution. If this Act does not receive the vote necessary for
2-34 immediate effect, this Act takes effect September 1, 2013.

2-35 * * * * *