

BILL ANALYSIS

C.S.H.B. 1984
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Business & Industry
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties have expressed an interest in continuing and expanding the work of the aerospace and aviation office of the Texas Economic Development and Tourism Office, including efforts to increase investment in aerospace and aviation activities. C.S.H.B. 1984 seeks to amend the applicable law relating to the duties of the office.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1984 amends the Government Code to expand the duties of the aerospace and aviation office of the Texas Economic Development and Tourism Office (TEDTO) to include, as part of the required industry-specific strategic plan to promote the retention, development, and expansion of aerospace and aviation industry facilities in Texas, the development of policy initiatives or recommendations on reforms the state may undertake or implement to increase investment in aerospace and aviation activities; to support the retention, development, and expansion of spaceports in Texas; to identify and encourage educational, economic, and defense-related opportunities for aerospace and aviation activities; to increase funding for the spaceport trust fund and support ongoing projects that have been assisted by the fund; to partner with the Texas Higher Education Coordinating Board to foster technological advancement and economic development for spaceport activities by strengthening higher education programs and supporting aerospace activities; and to partner with the Texas Workforce Commission to support initiatives that address the high-technology skills and staff resources needed to better promote the state's efforts in becoming the leading space exploration state in the nation.

C.S.H.B. 1984 requires the aerospace and aviation office to make specific short-term and long-term statutory, administrative, and budget-related recommendations to the legislature and the governor regarding those policy initiatives and reforms. The bill requires the short-term recommendations to include a plan for state action for implementation beginning not later than September 1, 2017, and requires the plan's initiatives and reforms to be fully implemented by September 1, 2020. The bill requires the long-term recommendations to include a plan for state action for implementation beginning not later than September 1, 2020, and requires the plan's initiatives and reforms to be fully implemented by September 1, 2025. The bill requires the aerospace and aviation office to submit these recommendations to the legislature and governor with the biennial report required by the bill not later than December 1, 2016. These provisions

regarding the recommendations expire September 1, 2017.

C.S.H.B. 1984 requires the aerospace and aviation office, not later than December 1 of each even-numbered year, to submit to the legislature and governor, in printed or electronic form, a report detailing the actions taken by the office in carrying out the policy initiatives and reforms to further the purposes of the industry-specific strategic plan as specified in the office's recommendations.

C.S.H.B. 1984 adds to the membership of the aerospace and aviation advisory committee appointed by the governor one member for each active spaceport development corporation in Texas who represents the interests of each respective spaceport development corporation. The bill expands the committee's duties to include assisting TEDTO and the aerospace and aviation office in meeting the state's economic development efforts to recruit and retain aerospace and aviation jobs and investment; advising those offices and the governor on an appropriate funding level for the spaceport trust fund and on recruitment, retention, and expansion of aerospace and aviation industry activities; and collecting and disseminating information on federal, state, local, and private community economic development programs that assist or provide loans, grants, or other funding to aerospace and aviation industry activities. The bill requires members of the advisory committee to serve staggered four-year terms and provides for the expiration of the terms of the current members on the bill's effective date. The bill requires the governor, on that date or as soon as possible after that date, to appoint new members to the aerospace and aviation advisory committee in accordance with the membership requirements established by the bill. The bill makes a member of the advisory committee serving immediately before the bill's effective date eligible for reappointment to the committee if the person is qualified under the bill's provisions.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1984 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 481.0066, Government Code, is amended by amending Subsections (d) and (e) and adding Subsections (d-1), (d-2), (e-1), and (e-2) to read as follows:

- (d) The aerospace and aviation office shall:
- (1) analyze space-related and aviation-related research currently conducted in this state and may conduct activities designed to further that research;
 - (2) analyze the state's economic position in the aerospace and aviation industries;
 - (3) develop short-term and long-term business strategies as part of an industry-specific strategic plan to promote the retention, development, and expansion of aerospace and aviation industry facilities in

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 481.0066, Government Code, is amended by amending Subsections (d) and (e) and adding Subsections (d-1), (d-2), (e-1), and (e-2) to read as follows:

- (d) The aerospace and aviation office shall:
- (1) analyze space-related and aviation-related research currently conducted in this state and may conduct activities designed to further that research;
 - (2) analyze the state's economic position in the aerospace and aviation industries;
 - (3) develop short-term and long-term business strategies as part of an industry-specific strategic plan to promote the retention, development, and expansion of aerospace and aviation industry facilities in

the state that is consistent with and complementary of the office strategic plan;
(4) make specific recommendations to the legislature and the governor regarding the promotion of those industries;

(5) as part of and to further the purposes of the industry-specific strategic plan described by Subdivision (3), develop short-term and long-term policy initiatives or recommend reforms the state may undertake or implement to:

(A) increase commercial provider investment in aerospace activities;

(B) support the retention, development, and expansion of spaceports in this state;

(C) create a business-friendly environment to assist commercial providers in the aerospace industry in conducting business in this state;

(D) promote, develop, and expand tourism related to the aerospace industry;

(E) identify and encourage educational, economic, and defense-related opportunities for aerospace activities;

(F) increase funding for the spaceport trust fund created under Section 481.0069 and support ongoing projects that have been assisted by the fund, including recommending to the legislature an appropriate funding level for the fund;

(G) foster technological advancement and economic development for spaceport activities by strengthening higher education programs and supporting aerospace activities; and

(H) support initiatives that address the high-technology skills and staff resources needed to better promote the state's efforts in becoming the leading space exploration state in the nation;

(6) act as a liaison with other state and federal entities with related economic, educational, and defense responsibilities to support the marketing of the state's aerospace and aviation capabilities;

(7) [~~(6)~~] provide technical support and expertise to the state and to local spaceport authorities regarding aerospace and aviation business matters; and

(8) [~~(7)~~] be responsible for the promotion and development of spaceports in this state.

(d-1) The aerospace and aviation office shall make specific short-term and long-

the state that is consistent with and complementary of the office strategic plan;
(4) make specific recommendations to the legislature and the governor regarding the promotion of those industries;

(5) as part of and to further the purposes of the industry-specific strategic plan described by Subdivision (3), develop short-term and long-term policy initiatives or recommend reforms the state may undertake or implement to:

(A) increase investment in aerospace and aviation activities;

(B) support the retention, development, and expansion of spaceports in this state;

(C) identify and encourage educational, economic, and defense-related opportunities for aerospace and aviation activities;

(D) increase funding for the spaceport trust fund created under Section 481.0069 and support ongoing projects that have been assisted by the fund, including recommending to the legislature an appropriate funding level for the fund;

(E) partner with the Texas Higher Education Coordinating Board to foster technological advancement and economic development for spaceport activities by strengthening higher education programs and supporting aerospace activities; and

(F) partner with the Texas Workforce Commission to support initiatives that address the high-technology skills and staff resources needed to better promote the state's efforts in becoming the leading space exploration state in the nation;

(6) act as a liaison with other state and federal entities with related economic, educational, and defense responsibilities to support the marketing of the state's aerospace and aviation capabilities;

(7) [~~(6)~~] provide technical support and expertise to the state and to local spaceport authorities regarding aerospace and aviation business matters; and

(8) [~~(7)~~] be responsible for the promotion and development of spaceports in this state.

(d-1) The aerospace and aviation office shall make specific short-term and long-

term statutory, administrative, and budget-related recommendations to the legislature and the governor regarding the policy initiatives and reforms described by Subsection (d)(5) that may be implemented by the state. The short-term recommendations must include two-year and four-year plans for state action that may be implemented or achieved on or before September 1, 2019, and September 1, 2021, respectively.

The long-term recommendations must include 5-year, 10-year, and 15-year plans for state action that may be implemented or achieved on or before September 1, 2022, September 1, 2027, and September 1, 2032, respectively.

The aerospace and aviation office shall submit these recommendations to the legislature and governor with the biennial report required by Subsection (d-2) not later than December 1, 2016. This subsection expires September 1, 2017.

(d-2) Not later than December 1 of each even-numbered year, the aerospace and aviation office shall submit to the legislature and governor, in printed or electronic form, a report detailing the actions taken by the aerospace and aviation office in carrying out the policy initiatives and reforms under Subsection (d)(5) to further the purposes of the industry-specific strategic plan as specified in the recommendations required by Subsection (d-1), including:

- (1) the status of all projects and activities;
- (2) the funding of expenditures;
- (3) the planning and research conducted;
- (4) the provision of community and technical assistance;
- (5) the collection of information; and

(6) an explanation of the ways in which the aerospace and aviation office has promoted the state's economic development goals through increased space exploration activities.

(e) The governor shall appoint an aerospace and aviation advisory committee consisting

term statutory, administrative, and budget-related recommendations to the legislature and the governor regarding the policy initiatives and reforms described by Subsection (d)(5) that may be implemented by the state. The short-term recommendations must include a plan for state action for implementation beginning not later than September 1, 2017. The initiatives and reforms in the short-term plan must be fully implemented by September 1, 2020. The long-term recommendations must include a plan for state action for implementation beginning not later than September 1, 2020. The initiatives and reforms in the long-term plan must be fully implemented by September 1, 2025. The aerospace and aviation office shall submit these recommendations to the legislature and governor with the biennial report required by Subsection (d-2) not later than December 1, 2016. This subsection expires September 1, 2017.

(d-2) Not later than December 1 of each even-numbered year, the aerospace and aviation office shall submit to the legislature and governor, in printed or electronic form, a report detailing the actions taken by the aerospace and aviation office in carrying out the policy initiatives and reforms under Subsection (d)(5) to further the purposes of the industry-specific strategic plan as specified in the recommendations required by Subsection (d-1), including:

- (1) the status of all projects and activities;
- (2) the funding of expenditures;
- (3) a summary of work performed as part of the aerospace and aviation office's partnership with the Texas Higher Education Coordinating Board, including a summary prepared by the board of the research conducted by public senior colleges or universities, as defined by Section 61.003, Education Code;
- (4) a summary of work performed as part of the aerospace and aviation office's partnership with the Texas Workforce Commission; and

(5) an explanation of the ways in which the aerospace and aviation office has promoted the state's economic development goals through increased space exploration activities.

(e) The governor shall appoint an aerospace and aviation advisory committee consisting

of seven qualified members to assist in the state's economic development efforts to recruit and retain aerospace and aviation jobs and investment. The committee must consist of:

(1) one member who represents the interests of an active spaceport development corporation created in the lower Gulf Coast area of the state;

(2) one member who represents the interests of an active spaceport development corporation created in the West Texas area of the state;

(3) three members with an aerospace professional background who are selected from each of the following geographical areas of the state:

(A) upper Gulf Coast area;

(B) Central Texas area; and

(C) North Texas area; and

(4) two members who are selected from the state at large.

(e-1) The aerospace and aviation advisory committee shall:

(1) advise the governor on the recruitment and retention of aerospace and aviation jobs and investment;

(2) assist the office and the aerospace and aviation office in meeting the state's economic development efforts to recruit and retain aerospace and aviation jobs and investment;

(3) advise the office, the aerospace and aviation office, and the governor on an appropriate funding level for the spaceport trust fund;

(4) advise the office, the aerospace and aviation office, and the governor on recruitment, retention, and expansion of aerospace and aviation industry activities, including aerospace tourism initiatives; and

(5) collect and disseminate information on federal, state, local, and private community economic development programs that assist or provide loans, grants, or other funding to aerospace industry activities.

(e-2) Members of the aerospace and aviation advisory committee:

(1) shall serve staggered four-year terms; and

(2) may not receive compensation for serving on the committee.

of:

(1) seven qualified members to assist in the state's economic development efforts to recruit and retain aerospace and aviation jobs and investment; and

(2) one member for each active spaceport development corporation in the state who represents the interests of each respective spaceport development corporation.

(e-1) The aerospace and aviation advisory committee shall:

(1) advise the governor on the recruitment and retention of aerospace and aviation jobs and investment;

(2) assist the office and the aerospace and aviation office in meeting the state's economic development efforts to recruit and retain aerospace and aviation jobs and investment;

(3) advise the office, the aerospace and aviation office, and the governor on an appropriate funding level for the spaceport trust fund;

(4) advise the office, the aerospace and aviation office, and the governor on recruitment, retention, and expansion of aerospace and aviation industry activities; and

(5) collect and disseminate information on federal, state, local, and private community economic development programs that assist or provide loans, grants, or other funding to aerospace and aviation industry activities.

(e-2) Members of the aerospace and aviation advisory committee:

(1) shall serve staggered four-year terms; and

(2) may not receive compensation for serving on the committee.

SECTION 2. (a) The terms of the current members of the aerospace and aviation advisory committee expire on the effective date of this Act. On that date or as soon as possible after that date, the governor shall appoint new members to the aerospace and aviation advisory committee in accordance with the requirements of Section 481.0066(e), Government Code, as amended by this Act. The governor shall designate four members of the committee whose terms expire on February 1, 2017, and three members of the committee whose terms expire on February 1, 2019.

(b) A member of the aerospace and aviation advisory committee serving immediately before the effective date of this Act is eligible for reappointment to the committee if the person has the qualifications for a member under Section 481.0066(e), Government Code, as amended by this Act.

SECTION 3. This Act takes effect September 1, 2015.

SECTION 2. (a) The terms of the current members of the aerospace and aviation advisory committee expire on the effective date of this Act. On that date or as soon as possible after that date, the governor shall appoint new members to the aerospace and aviation advisory committee in accordance with the requirements of Section 481.0066(e), Government Code, as amended by this Act.

(b) A member of the aerospace and aviation advisory committee serving immediately before the effective date of this Act is eligible for reappointment to the committee if the person has the qualifications for a member under Section 481.0066(e), Government Code, as amended by this Act.

SECTION 3. Same as introduced version.