

## **BILL ANALYSIS**

Senate Research Center  
84R12292 DDT-D

C.S.S.B. 458  
By: Lucio  
Natural Resources & Economic Development  
4/8/2015  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 458 builds on the effort that the state started in 1991 in fostering the development of the aerospace industry in Texas, and which we reinforced last session when we appropriated \$15 million to the Spaceport Trust Fund to help locate commercial rocket launching facilities in Texas.

Specifically, S.B. 458 reforms the existing aerospace-related division in the Governor's Office and improves the manner by which the state addresses the planning, development, and support of aerospace initiatives to ensure that Texas is on the forefront of the aerospace industry in the nation.

C.S.S.B. 458 amends the language in the bill to make it more consistent with existing statute (e.g., striking "commercial provider" and including "aviation activities" throughout the bill); provides additional resources to the aerospace division by allowing it to partner with the Texas Higher Education Coordinating Board (on higher education programs that support aerospace activities) and with the Texas Workforce Commission (on high-technology skills); provides for a short-term plan and a long-term plan; and improves the Aerospace & Aviation Advisory Committee by including a member for each active spaceport development corporation in the state.

C.S.S.B. 458 amends current law relating to the aerospace and aviation office of the Texas Economic Development and Tourism Office and to the aerospace and aviation advisory committee.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

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

(d) Requires the aerospace and aviation office of the Texas Economic Development and Tourism Office to:

(1)-(4) Makes no change to these subdivisions;

(5) as part of and to further the purposes of the industry-specific strategic plan described by Subdivision (3) (developing short-term and long-term business strategies consistent with office plan), 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 (Spaceport Trust Fund) 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 (THECB) 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 (TWC) 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) Creates this subdivision from existing Subdivision (5) and makes no further change to this subdivision;

(7) and (8) Redesignates existing Subdivisions (6) and (7) as Subdivisions (7) and (8) and makes no further change to these subdivisions.

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

(d-2) 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 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 THECB, including a summary prepared by THECB of the research conducted by public senior colleges or universities, as defined by Section 61.003 (Definitions), Education Code;

(4) a summary of work performed as part of the aerospace and aviation office's partnership with TWC; 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) Requires the governor to appoint an aerospace and aviation advisory committee (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 and one member for each active spaceport development corporation in the state who represents the interests of each respective spaceport development corporation.

(e-1) Creates this subsection from existing text. Requires the advisory committee to:

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

(2) assist the Texas Economic Development and Tourism Office (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 industry activities.

(e-2) Creates this subsection from existing text. Provides that members of the advisory committee:

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

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

SECTION 2. (a) Provides that the terms of the current members of the aerospace and aviation advisory committee expire on the effective date of this Act. 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 requirements of Section 481.0066(e) (relating to the appointment of an aerospace and aviation advisory committee), Government Code, as amended by this Act.

(b) Provides that 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. Effective date: September 1, 2015.