

BILL ANALYSIS

Senate Research Center

H.B. 967
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Administration
5/16/2017
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Local entities near TexAmericas Center have expressed an interest in creating a regional economic development entity to bring jobs to the area. Many of the businesses located on the TexAmericas site and in nearby areas have vendors that would like to locate nearby if there were more serviceable facilities available. H.B. 967 would allow the TexAmericas Center to promote regional economic development efforts and to create a nonprofit corporation to execute necessary infrastructure projects in the area.

H.B. 967 amends the Special District Local Laws Code so the TexAmericas Center could create a nonprofit corporation under the Business Organizations Code solely to undertake projects considered necessary or incidental to industrial, commercial, or business development, or to redevelop, maintain, or expand new or existing businesses on and for the TexAmericas Center site.

The bill requires the board to appoint the board of directors of each nonprofit corporation created under the bill's provisions. The bill authorizes a board member or employee of the TexAmericas Center to simultaneously serve as a member of the board of directors of a nonprofit corporation and authorizes a person serving as a board member of the TexAmericas Center and of a nonprofit corporation created by the TexAmericas Center to participate in all votes relating to the business of the TexAmericas Center or the corporation.

The committee substitute limits the scope of the bill by:

- geographically restricting the economic development activities authorized under the bill to counties adjacent to Bowie County;
- ensuring that a nonprofit corporation established under the powers provided by the bill does not have eminent domain power; and
- ensuring that open records and open meetings laws apply to the nonprofit corporation(s).

H.B. 967 amends current law relating to the powers of the TexAmericas Center.

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 3503.003(a), Special District Local Laws Code, to provide that the TexAmericas Center (authority) is created for certain purposes, including to promote regional economic development and job creation inside the district's boundaries and outside of the district's boundaries in Bowie County and adjacent counties.

SECTION 2. Amends Subchapter C, Chapter 3503, Special District Local Laws Code, by adding Section 3503.112, as follows:

Sec. 3503.112. NONPROFIT CORPORATIONS FOR SPECIAL PROJECTS. (a) Authorizes the authority to authorize by resolution the creation of a nonprofit corporation under the Business Organizations Code solely to undertake on behalf of the authority a project described by Section 3503.003(a)(3) (relating to providing that the authority is created to undertake certain projects).

(b) Requires the authority's board of directors (board) to appoint the board of directors of each nonprofit corporation created under this section. Provides that a board member is not required to reside in the authority.

(c) Authorizes a board member or employee of the authority to simultaneously serve as a member of the board of directors of a nonprofit corporation. Authorizes a person serving as a board member of the authority and of a nonprofit corporation created under this section to participate in all votes relating to the business of the authority or the corporation.

(d) Prohibits the authority from exercising the power of eminent domain.

(e) Provides that a nonprofit corporation created under this section is subject to Chapters 551 (Open Meetings) and 552 (Public Information), Government Code.

SECTION 3. Effective date: September 1, 2017.