

By: Button

H.B. No. 2564

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a periodic review by the Economic Incentive Oversight
3 Board of projects undertaken by certain economic development
4 corporations and the ad valorem tax incentive program established
5 by the Texas Economic Development Act.

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

7 SECTION 1. Section 490G.001, Government Code, is amended by
8 amending Subdivisions (1) and (2-a) and adding Subdivisions (1-a),
9 (2-b), and (4) to read as follows:

10 (1) "Authorizing municipality" means the municipality
11 that authorizes the creation of a Type A or Type B corporation.

12 (1-a) "Board" means the Economic Incentive Oversight
13 Board.

14 (2-a) "Office" means the Texas Economic Development
15 and Tourism Office.

16 (2-b) "Rural county" means a county with a population
17 of less than 60,000.

18 (4) "Type A corporation" and "Type B corporation" have
19 the meanings assigned those terms by Section 501.002, Local
20 Government Code.

21 SECTION 2. Chapter 490G, Government Code, is amended by
22 adding Sections 490G.0055 and 490G.0056 to read as follows:

23 Sec. 490G.0055. REVIEW OF ECONOMIC DEVELOPMENT CORPORATION
24 PROJECTS; PERFORMANCE MATRIX. (a) The board shall examine the

1 effectiveness, efficiency, and financial impact on this state of
2 projects undertaken by Type A and Type B corporations under
3 Subtitle C1, Title 12, Local Government Code.

4 (b) The board shall develop a performance matrix that
5 clearly establishes the economic performance indicators, measures,
6 and metrics that will guide the board's evaluations of those
7 projects.

8 (c) A Type A or Type B corporation shall provide to the board
9 on request any agreement relating to a project undertaken by the
10 corporation and any other information concerning the project as
11 necessary to enable the board to perform the board's duties under
12 this chapter.

13 Sec. 490G.0056. REVIEW OF PROGRAM ESTABLISHED BY TEXAS
14 ECONOMIC DEVELOPMENT ACT; PERFORMANCE MATRIX. (a) The board shall
15 examine the effectiveness, efficiency, and financial impact on this
16 state of the ad valorem tax incentive program established by
17 Chapter 313, Tax Code, including whether that chapter is being
18 implemented by school districts and the comptroller in such a way as
19 to:

20 (1) accomplish the purposes of that chapter as
21 expressed in Section 313.003 of that chapter; and

22 (2) comply with the intent of the legislature in
23 enacting that chapter as expressed in Section 313.004 of that
24 chapter.

25 (b) The board shall develop a performance matrix that
26 clearly establishes the economic performance indicators, measures,
27 and metrics that will guide the board's evaluation of the program.

1 (c) The comptroller shall provide to the board on request
2 information concerning the program as necessary to enable the board
3 to perform the board's duties under this chapter.

4 SECTION 3. The heading to Section 490G.006, Government
5 Code, is amended to read as follows:

6 Sec. 490G.006. SCHEDULE OF REVIEW OF STATE INCENTIVE
7 PROGRAMS; RECOMMENDATION TO LEGISLATIVE AUDIT COMMITTEE.

8 SECTION 4. Chapter 490G, Government Code, is amended by
9 adding Sections 490G.0065 and 490G.0066 to read as follows:

10 Sec. 490G.0065. SCHEDULE OF REVIEW OF ECONOMIC DEVELOPMENT
11 CORPORATION PROJECTS. (a) The board shall develop a schedule for
12 the periodic review of each project or category of projects
13 described by Section 490G.0055 and identified by the board for the
14 purposes of making recommendations concerning project
15 effectiveness and efficiency to the office and reporting the
16 findings and recommendations resulting from the project review to
17 the legislature as required by Section 490G.007. The board shall
18 review and make findings and recommendations regarding each project
19 or category of projects as described by this section according to
20 the review schedule.

21 (b) The board, on request, shall provide to the governing
22 body of a Type A corporation's or Type B corporation's authorizing
23 municipality any recommendations submitted to the office under
24 Subsection (a) concerning a project or category of projects
25 undertaken by the corporation created by the municipality.

26 Sec. 490G.0066. SCHEDULE OF REVIEW OF PROGRAM ESTABLISHED
27 BY TEXAS ECONOMIC DEVELOPMENT ACT. (a) The board shall develop a

1 schedule for the periodic review of the ad valorem tax incentive
2 program established by Chapter 313, Tax Code, for the purpose of
3 making recommendations concerning the effectiveness and efficiency
4 of the program to the office and reporting the findings and
5 recommendations resulting from the review to the legislature as
6 required by Section 490G.007. The board shall review and make
7 findings and recommendations regarding the program according to the
8 review schedule.

9 (b) The board, on request, shall provide to the governing
10 body of a school district or the comptroller any recommendations
11 submitted to the office under Subsection (a) concerning the
12 program.

13 SECTION 5. Section 490G.007, Government Code, is amended to
14 read as follows:

15 Sec. 490G.007. BIENNIAL REPORT. Not later than January 1
16 of each odd-numbered year, the board shall submit to the lieutenant
17 governor, the speaker of the house of representatives, and each
18 standing committee of the senate and house of representatives with
19 primary jurisdiction over economic development a report containing
20 findings and recommendations resulting from each review of state
21 incentive programs and funds, of projects undertaken by Type A or
22 Type B corporations, and of the ad valorem tax incentive program
23 established by Chapter 313, Tax Code, that is conducted by the board
24 under this chapter during the preceding two calendar years.

25 SECTION 6. This Act takes effect September 1, 2017.