

By: Murphy

H.B. No. 3086

A BILL TO BE ENTITLED

AN ACT

relating to the Texas Economic Development Act.

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

SECTION 1. Section 313.021, Tax Code, is amended by amending Subdivisions (3) and (5) and adding Subdivision (6) to read as follows:

(3) "Qualifying job" means a permanent full-time job that:

(A) requires at least 1,600 hours of work a year;

(B) is not transferred from one area in this state to another area in this state, unless the transfer represents a net new job in this state;

(C) is not created to replace a previous employee;

(D) is covered by a group health benefit plan for which the business offers to pay at least 80 percent of the premiums or other charges assessed for employee-only coverage under the plan, regardless of whether an employee may voluntarily waive the coverage; and

(E) pays at least 110 percent of the lesser of:

(i) the state median annual wage for manufacturing jobs in this state; or

(ii) the county average annual [weekly] wage for manufacturing jobs in the county where the job is located.

1 (F) In determining whether a property owner has
2 created the number of qualifying jobs required under this chapter,
3 operations, services, and other related jobs created in connection
4 with the project, including those employed by third parties under
5 contract, may satisfy the minimum qualifying jobs requirement for
6 the project if the Texas Workforce Commission determines that the
7 cumulative economic benefits to the state of these jobs is the same
8 or greater than that associated with the minimum number of
9 qualified jobs required to be created under this chapter. The Texas
10 Workforce Commission may adopt rules to implement this subsection.

11 (5) "County average annual [~~weekly~~] wage for
12 manufacturing jobs" and "county average annual wage for all jobs"
13 mean [~~means~~]:

14 (A) the average weekly wage in a county for
15 manufacturing jobs or for all jobs, as applicable, during the most
16 recent four quarterly periods for which data is available at the
17 time a person submits an application for a limitation on appraised
18 value under this subchapter, as computed by the Texas Workforce
19 Commission, multiplied by 52; or

20 (B) the average weekly wage for manufacturing
21 jobs or for all jobs, as applicable, in the region designated for
22 the regional planning commission, council of governments, or
23 similar regional planning agency created under Chapter 391, Local
24 Government Code, in which the county is located during the most
25 recent four quarterly periods for which data is available at the
26 time a person submits an application for a limitation on appraised
27 value under this subchapter, as computed by the Texas Workforce

1 Commission, multiplied by 52.

2 (6) "State median annual wage for manufacturing jobs"
3 and "state median annual wage for all jobs" mean the median annual
4 wage in this state for manufacturing jobs or for all jobs, as
5 applicable, during the most recent period for which data is
6 available at the time a person submits an application for a
7 limitation on appraised value under this subchapter, as computed by
8 the Texas Workforce Commission.

9 SECTION 2. Section 313.024(d), Tax Code, is amended to read
10 as follows:

11 (d) To be eligible for a limitation on appraised value under
12 this subchapter, the property owner must create the required number
13 of new qualifying jobs as defined by Section 313.021(3) and the
14 average annual [~~weekly~~] wage for all jobs created by the owner that
15 are not qualifying jobs must exceed the lesser of:

16 (1) the state median annual wage for all jobs in this
17 state; or

18 (2) the county average annual [~~weekly~~] wage for all
19 jobs in the county where the jobs are located.

20 SECTION 3. Section 313.025(f-1), Tax Code, is amended to
21 read as follows:

22 (f-1) Notwithstanding any other provision of this chapter
23 to the contrary, including Section 313.003(2) or 313.004(3)(A) or
24 (B)(iii), the governing body of a school district may waive the new
25 jobs creation requirement in Section 313.021(2)(A)(iv)(b) or
26 313.051(b) and approve an application if the governing body makes a
27 finding that the jobs creation requirement exceeds the industry

1 standard for the number of employees reasonably necessary for the
2 operation of the facility of the property owner that is described in
3 the application. The governing body of a school district may not
4 waive a requirement in a new jobs creation requirement that the jobs
5 created be qualifying jobs.

6 SECTION 4. Sections 313.027(a-1) and (d), Tax Code, are
7 amended to read as follows:

8 (a-1) The agreement must:

9 (1) provide that the limitation under Subsection (a)
10 applies for a period of 10 years; ~~and~~

11 (2) specify the beginning date of the limitation,
12 which must be January 1 of the first tax year that begins after:

13 (A) the application date;

14 (B) the qualifying time period; or

15 (C) the date commercial operations begin at the
16 site of the project;

17 (3) state the dollar amount of the qualified
18 investment that must be made; and

19 (4) state the number of new qualifying jobs that must
20 be created.

21 (d) The governing body of the school district and the
22 property owner shall enter into a written agreement for the
23 implementation of the limitation on appraised value under this
24 subchapter on the owner's qualified property. If an agreement does
25 not include information required by this section to be included in
26 the agreement, the relevant provisions of the approved application,
27 as amended if applicable, that is the basis of the agreement are

1 considered part of the written agreement.

2 SECTION 5. Subchapter B, Chapter 313, Tax Code, is amended
3 by adding Section 313.034 to read as follows:

4 Sec. 313.034. CONFLICTS OF INTEREST. (a) A member of the
5 governing body of a school district, the superintendent of a school
6 district, an employee of a school district, or a person who provides
7 services to a school district who has a family, business,
8 commercial, or other relationship that could reasonably be expected
9 to diminish the person's independence of judgment in the
10 performance of the person's responsibilities relating to an
11 application submitted under this subchapter or an agreement entered
12 into under this subchapter shall disclose the relationship in
13 writing to the school district.

14 (b) A person who files a statement under Subsection (a)
15 disclosing a possible conflict of interest may not give advice or
16 make decisions about a matter affected by the possible conflict of
17 interest unless the school district expressly waives this
18 prohibition.

19 (c) The requirements of this section are in addition to any
20 other requirement prescribed by law.

21 SECTION 6. Sections 313.021, 313.024, 313.025, and 313.027,
22 Tax Code, as amended by this Act, apply only to an agreement entered
23 into under Chapter 313, Tax Code, on or after the effective date of
24 this Act. An agreement entered into under that chapter before the
25 effective date of this Act is governed by the law in effect on the
26 date the agreement was entered into, and the former law is continued
27 in effect for that purpose.

1 SECTION 7. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2017.