

By: Hall

S.B. No. 100

A BILL TO BE ENTITLED

AN ACT

relating to abolishing the Texas Enterprise Fund and the disposition of the balance of that fund.

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

SECTION 1. The following laws are repealed:

- (1) Sections 481.078 and 481.080, Government Code;
- (2) Sections 1372.031(b), (c), (d), and (e), Government Code; and
- (3) Section 303.005(a), Labor Code.

SECTION 2. (a) On September 1, 2017, the Texas Enterprise Fund is abolished and the balance of that fund is transferred to the general revenue fund. Money transferred under this subsection may be appropriated only to the Department of State Health Services to pay the cost of uncompensated trauma care provided by a hospital designated by the department as a trauma facility under Subchapter E, Chapter 773, Health and Safety Code, except as provided by Subsections (c) and (d) of this section.

(b) The abolishment of the Texas Enterprise Fund and the repeal of Sections 481.078 and 481.080, Government Code, do not affect the validity of an agreement between the governor and a grant recipient or an entity to be awarded a grant that is entered into under Section 481.078, Government Code, before September 1, 2017.

(c) Money that was deposited in the Texas Enterprise Fund as a gift, grant, or donation under Section 481.078(b)(3), Government

1 Code, and that is encumbered by the specific terms of the gift,
2 grant, or donation may be spent only in accordance with the terms of
3 the gift, grant, or donation.

4 (d) Money from the Texas Enterprise Fund that is encumbered
5 because the money is awarded, by grant, or otherwise obligated by
6 agreement before September 1, 2017, but under the terms of the award
7 or agreement will not be distributed until a later date shall be
8 distributed in accordance with the terms of the award or agreement.
9 If the governor determines that the money will not be distributed in
10 accordance with the terms of the award or agreement, the governor
11 shall certify that fact to the comptroller. On that certification,
12 the comptroller shall make that money available in the general
13 revenue fund to be used in accordance with legislative
14 appropriation.

15 (e) On or after the effective date of this Act, the
16 following payments or other amounts shall be sent to the
17 comptroller for deposit to the state highway fund:

18 (1) interest earned on the investment of money in the
19 Texas Enterprise Fund;

20 (2) any money returned or repaid by an entity pursuant
21 to an agreement entered into under Section [481.078](#), Government
22 Code; and

23 (3) any money derived from an interest the state
24 retained in a capital improvement pursuant to an agreement entered
25 into under Section [481.078](#), Government Code.

26 SECTION 3. Subchapter E, Chapter [481](#), Government Code, is
27 amended by adding Section 481.0781 to read as follows:

1 Sec. 481.0781. ANNUAL PROGRESS REPORT FOR GRANT RECIPIENTS
2 OF FORMER TEXAS ENTERPRISE FUND. (a) An entity that entered into a
3 grant agreement with the governor under former Section 481.078
4 shall submit to the governor, lieutenant governor, and speaker of
5 the house of representatives an annual progress report on the
6 attainment of each of the performance targets specified in the
7 agreement based on information compiled during the previous
8 calendar year of the report's due date.

9 (b) This section expires September 1, 2032.

10 SECTION 4. The heading to Section 481.079, Government Code,
11 is amended to read as follows:

12 Sec. 481.079. REPORT ON USE OF MONEY IN FORMER TEXAS
13 ENTERPRISE FUND.

14 SECTION 5. Section 481.079, Government Code, is amended by
15 amending Subsections (a), (a-1), and (c) and adding Subsection (d)
16 to read as follows:

17 (a) Before the beginning of each regular session of the
18 legislature, the governor shall submit to the lieutenant governor,
19 the speaker of the house of representatives, and each other member
20 of the legislature a report on grants made under former Section
21 481.078 that states:

22 (1) the number of direct jobs each recipient committed
23 to create in this state;

24 (2) the number of direct jobs each recipient created
25 in this state;

26 (3) the median wage of the jobs each recipient created
27 in this state;

1 (4) the amount of capital investment each recipient
2 committed to expend or allocate per project in this state;

3 (5) the amount of capital investment each recipient
4 expended or allocated per project in this state;

5 (6) the total amount of grants made to each recipient;

6 (7) the average amount of money granted in this state
7 for each job created in this state by grant recipients;

8 (8) the number of jobs created in this state by grant
9 recipients in each sector of the North American Industry
10 Classification System (NAICS); and

11 (9) of the number of direct jobs each recipient
12 created in this state, the number of positions created that provide
13 health benefits for employees.

14 (a-1) For grants awarded for a purpose specified by former
15 Section 481.078(d-1), the report must include only the amount and
16 purpose of each grant.

17 (c) The governor may require a person who received
18 [~~recipient of~~] a grant under former Section 481.078 to submit, on a
19 form the governor provides, information required to complete the
20 report.

21 (d) This section expires September 1, 2032.

22 SECTION 6. Section 1372.031(a), Government Code, is amended
23 to read as follows:

24 (a) Subject [~~Except as provided by Subsection (b) and~~
25 ~~subject~~] to Sections 1372.0321, 1372.0231, and 1372.035(c), if, on
26 or before October 20, more than one issuer in a category described
27 by Section 1372.022(a)(2), (3), (4), or (6) applies for a

1 reservation of the state ceiling for the next program year, the
2 board shall grant reservations in that category in the order
3 determined by the board by lot.

4 SECTION 7. Section 1372.063, Government Code, is amended to
5 read as follows:

6 Sec. 1372.063. PRIORITY 1 CARRYFORWARD CLASSIFICATION. The
7 priority 1 carryforward classification applies to[+]

8 [~~(1)~~] an issuer of a state-voted issue[~~, and~~

9 [~~(2) a state agency, other than an issuer of a~~
10 ~~state-voted issue, that applies for a carryforward designation for~~
11 ~~a project that:~~

12 [~~(A) is described by Section 1372.067(a)(2); and~~

13 [~~(B) the Texas Economic Development and Tourism~~
14 ~~Office determines meets the governor's criteria for funding from~~
15 ~~the Texas Enterprise Fund].~~

16 SECTION 8. Section 2306.2585(c), Government Code, is
17 amended to read as follows:

18 (c) The department may use any available revenue, including
19 legislative appropriations, appropriation transfers from the
20 trusteeed programs within the office of the governor, including
21 [~~authorized appropriations from the Texas Enterprise Fund,~~
22 available federal funds, and any [~~other~~] statutorily authorized and
23 appropriate funding sources transferred from the trusteeed programs
24 within the office of the governor, for the purposes of this section.
25 The department shall solicit and accept gifts and grants for the
26 purposes of this section. The department shall use gifts and grants
27 received for the purposes of this section before using any other

1 revenue.

2 SECTION 9. Section 203.021(e), Labor Code, is amended to
3 read as follows:

4 (e) Money in the compensation fund may not be transferred to
5 the[+]

6 [~~(1) Texas Enterprise Fund created under Section~~
7 ~~481.078, Government Code, or~~

8 ~~(2)] Texas emerging technology fund established~~

9 under Section 490.101, Government Code.
10 SECTION 10. The heading to Section 303.005, Labor Code, is
11 amended to read as follows:

12 Sec. 303.005. [~~PARTICIPATION IN ADDITIONAL PROGRAMS,~~
13 ~~APPLICATION REQUIREMENTS,~~] PRIORITY IN AWARDING GRANTS.

14 SECTION 11. Section 314.002(d), Labor Code, is amended to
15 read as follows:

16 (d) The commission, for the purposes of this section, may
17 use:

18 (1) money appropriated to the commission; and

19 (2) money that is transferred to the commission from
20 trustee programs within the office of the governor, including:

21 (A) [~~appropriated money from the Texas~~
22 ~~Enterprise Fund,~~

23 ~~(B)] available federal funds; and~~

24 (B) [~~(C)] money from [other] appropriate,~~
25 statutorily authorized funding sources.

26 SECTION 12. If a conflict exists between this Act and
27 another Act of the 85th Legislature, Regular Session, 2017, that

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1 relates to the Texas Enterprise Fund, this Act controls without
2 regard to the relative dates of enactment.

3 SECTION 13. This Act takes effect September 1, 2017.