

By: Hinojosa

S.B. No. 1841

A BILL TO BE ENTITLED

AN ACT

relating to certain requirements for designation as a qualified business under the enterprise zone program.

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

SECTION 1. Section 2303.401, Government Code, is amended to read as follows:

Sec. 2303.401. DEFINITIONS. In this subchapter:

(1) "New permanent job" means any ~~[a]~~ new employment position, regardless of title, that:

(A) is created by a qualified business as described by Section 2303.402 at the qualified business site not earlier than the 90th day before the date the business's project or activity is designated as an enterprise project under this chapter;

(B) will provide or has provided for the duration of the project's designation period at least 1,820 hours of employment a year to a qualified employee; and

(C) will exist or has existed at the qualified business site for ~~[the longer of]~~:

(i) the duration of the project's designation period; or

(ii) three years after the date on which a state benefit is received as authorized by this chapter.

(2) "Retained job" means any employment position, regardless of title, ~~[a job]~~ that:

1 (A) existed with a qualified business on the 91st
2 day before the date the business's project or activity is
3 designated as an enterprise project;

4 (B) has provided and will continue to provide
5 employment to a qualified employee of at least 1,820 hours
6 annually; and

7 (C) will be or has been an employment position
8 for [~~the longer of~~]:

9 (i) the duration of the project's
10 designation period; or

11 (ii) three years after the expiration date
12 of the claim period for receipt of a state benefit authorized by
13 this chapter.

14 SECTION 2. Section 2303.402(a), Government Code, is amended
15 to read as follows:

16 (a) A person is a qualified business if the bank, for the
17 purpose of state benefits under this chapter, or the nominating
18 body of a project or activity of the person under this chapter, for
19 the purpose of local incentives, certifies that:

20 (1) the person is engaged in or has provided
21 substantial commitment to initiate the active conduct of a trade or
22 business in an enterprise zone, and at least 25 percent of the
23 person's new permanent jobs in the enterprise zone are held by:

24 (A) residents of any enterprise zone in this
25 state;

26 (B) economically disadvantaged individuals; [~~or~~]

27 (C) veterans; or

1 (D) residents of any area in this state
2 designated by the federal government as an opportunity zone; or

3 (2) the person is engaged in or has provided
4 substantial commitment to initiate the active conduct of a trade or
5 business in an area of this state that does not qualify as an
6 enterprise zone, and at least 35 percent of the person's new
7 permanent jobs at the qualified business site are held by:

8 (A) residents of any enterprise zone in this
9 state;

10 (B) individuals who are economically
11 disadvantaged; ~~or~~

12 (C) veterans; or

13 (D) residents of any area in this state
14 designated by the federal government as an opportunity zone.

15 SECTION 3. The changes in law made by this Act apply only to
16 an application for an enterprise project designation under the
17 enterprise zone program established under Chapter 2303, Government
18 Code, as amended by this Act, that is submitted on or after the
19 effective date of this Act. An application for an enterprise
20 project designation under the enterprise zone program that is
21 submitted before the effective date of this Act is governed by the
22 law in effect on the date the application was submitted, and the
23 former law is continued in effect for that purpose.

24 SECTION 4. This Act takes effect September 1, 2019.