

1-1 By: Meyer, Burrows (Senate Sponsor - Zaffirini) H.B. No. 2404
 1-2 (In the Senate - Received from the House April 8, 2021;
 1-3 April 12, 2021, read first time and referred to Committee on
 1-4 Natural Resources & Economic Development; May 12, 2021, reported
 1-5 adversely, with favorable Committee Substitute by the following
 1-6 vote: Yeas 8, Nays 0; May 12, 2021, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15			X	
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 2404 By: Zaffirini

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the creation and maintenance of a database of
 1-22 information regarding certain local economic development
 1-23 agreements; providing a civil penalty.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Subchapter B, Chapter 403, Government Code, is
 1-26 amended by adding Sections 403.0246 and 403.0247 to read as
 1-27 follows:

1-28 Sec. 403.0246. LOCAL DEVELOPMENT AGREEMENT DATABASE. (a)

1-29 In this section:

1-30 (1) "Business day" means a day other than a Saturday,
 1-31 Sunday, or state or national holiday.

1-32 (2) "Local development agreement" means:

1-33 (A) an agreement entered into by a municipality
 1-34 under Section 380.001 or 380.002, Local Government Code;

1-35 (B) an agreement entered into by a county under
 1-36 Section 381.004, Local Government Code; or

1-37 (C) any other agreement to grant or otherwise
 1-38 commit public money or other resources for economic development
 1-39 purposes by a local government under Chapter 380 or 381, Local
 1-40 Government Code.

1-41 (3) "Local government" includes:

1-42 (A) a municipality;

1-43 (B) a county;

1-44 (C) a county industrial commission under Section
 1-45 381.001, Local Government Code; or

1-46 (D) a board of development under Section 381.002,
 1-47 Local Government Code.

1-48 (b) The comptroller shall create and make accessible on the
 1-49 Internet a database, to be known as the Chapter 380 and 381
 1-50 Agreement Database, that contains information regarding all local
 1-51 development agreements in this state.

1-52 (c) For each local development agreement described by
 1-53 Subsection (b), the database must include:

1-54 (1) the name of the local government that entered into
 1-55 the agreement;

1-56 (2) a numerical code assigned to the local government
 1-57 by the comptroller;

1-58 (3) the address of the local government's
 1-59 administrative offices and public contact information;

1-60 (4) the name of the appropriate officer or other

2-1 person representing the local government and that person's contact
2-2 information;

2-3 (5) the name of any entity that entered into the
2-4 agreement with the local government;

2-5 (6) the date on which the agreement went into effect
2-6 and the date on which the agreement expires;

2-7 (7) the focus or scope of the agreement;

2-8 (8) an electronic copy of the agreement; and

2-9 (9) the name and contact information of the individual
2-10 reporting the information to the comptroller.

2-11 (d) The comptroller may consult with the appropriate
2-12 officer of, or other person representing, each local government
2-13 that enters into a local development agreement to obtain the
2-14 information necessary to operate and update the database.

2-15 (e) The comptroller shall enter into the database for access
2-16 by the public the information described by Subsection (c) not later
2-17 than the 15th business day after the date the comptroller receives
2-18 the information from the providing local government. The
2-19 information, including a copy of the agreement, must remain
2-20 accessible to the public through the database during the period the
2-21 agreement is in effect.

2-22 (f) The comptroller may not charge a fee to the public to
2-23 access the database.

2-24 (g) The comptroller may establish procedures and adopt
2-25 rules to implement this section.

2-26 Sec. 403.0247. NONCOMPLIANCE; CIVIL PENALTY. (a) In this
2-27 section, "local development agreement" has the meaning assigned by
2-28 Section 403.0246.

2-29 (b) If a local government that enters into a local
2-30 development agreement has not complied with a requirement to
2-31 provide information under Section 403.0246 of this code or Section
2-32 380.004 or 381.005, Local Government Code, the comptroller shall
2-33 send a notice to the local government. The notice must be in
2-34 writing, describe the information that must be submitted to the
2-35 comptroller, and inform the local government that if the
2-36 information is not provided on or before the 30th day after the date
2-37 the notice is provided, the local government will be subject to a
2-38 civil penalty of \$1,000.

2-39 (c) If a local government does not report the required
2-40 information as prescribed by Subsection (b), the local government
2-41 is liable to the state for a civil penalty of \$1,000.

2-42 (d) The attorney general may sue to collect a civil penalty
2-43 imposed under this section.

2-44 (e) It is a defense to an action brought under this section
2-45 that the local government provided the required information or
2-46 documents to the extent the information or documents are not exempt
2-47 from disclosure or confidential under Chapter 552.

2-48 SECTION 2. Chapter 380, Local Government Code, is amended
2-49 by adding Section 380.004 to read as follows:

2-50 Sec. 380.004. PROVISION OF CERTAIN INFORMATION TO
2-51 COMPTRROLLER. (a) Not later than the 14th day after the date of
2-52 entering into, amending, or renewing an agreement authorized by
2-53 this chapter, a municipality shall submit to the comptroller the
2-54 information described by Section 403.0246(c), Government Code, and
2-55 any other information the comptroller considers necessary to
2-56 operate and update the database described by that section.

2-57 (b) A municipality shall transmit the information required
2-58 by Subsection (a) in a form and manner prescribed by the
2-59 comptroller.

2-60 (c) If a municipality submits an agreement to the
2-61 comptroller under this section and maintains an Internet website,
2-62 the municipality shall provide on the website a direct link to the
2-63 location of the agreement information published on the
2-64 comptroller's Internet website.

2-65 SECTION 3. Chapter 381, Local Government Code, is amended
2-66 by adding Section 381.005 to read as follows:

2-67 Sec. 381.005. PROVISION OF CERTAIN INFORMATION TO
2-68 COMPTRROLLER. (a) Not later than the 14th day after the date of
2-69 entering into, amending, or renewing an agreement authorized by

3-1 this chapter, a county, county industrial commission, or
3-2 development board, as applicable, shall submit to the comptroller
3-3 the information described by Section 403.0246(c), Government Code,
3-4 and any other information the comptroller considers necessary to
3-5 operate and update the database described by that section.

3-6 (b) A county, commission, or board shall transmit the
3-7 information required by Subsection (a) in a form and manner
3-8 prescribed by the comptroller.

3-9 (c) If a county or a commission or board created by the
3-10 county submits an agreement to the comptroller under this section
3-11 and the county maintains an Internet website, the county shall
3-12 provide on the website a direct link to the location of the
3-13 agreement information published on the comptroller's Internet
3-14 website.

3-15 SECTION 4. (a) For each agreement described by Section
3-16 403.0246, Government Code, as added by this Act, that is in effect
3-17 on the effective date of this Act, the local government that entered
3-18 into the agreement shall, not later than January 1, 2022, submit to
3-19 the comptroller the information described by that section and any
3-20 other information the comptroller considers necessary to operate
3-21 and update the database required by that section.

3-22 (b) The comptroller shall publish on the comptroller's
3-23 Internet website the information received under this section not
3-24 later than September 1, 2022.

3-25 SECTION 5. The comptroller shall create and post on the
3-26 comptroller's Internet website the database required by Section
3-27 403.0246, Government Code, as added by this Act, not later than
3-28 September 1, 2022.

3-29 SECTION 6. The comptroller is required to implement the
3-30 changes in law made by this Act only if the legislature appropriates
3-31 money specifically for that purpose. If the legislature does not
3-32 appropriate money specifically for that purpose, the comptroller
3-33 may, but is not required to, implement this Act using other
3-34 appropriations available for that purpose.

3-35 SECTION 7. This Act takes effect September 1, 2021.

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