

## **BILL ANALYSIS**

C.S.H.B. 2644

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International Relations & Economic Development  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Post-COVID, more Texans are working from home or not commuting to an office daily. As a result, there are needed updates to our statutes and the qualifiers for certain programs like the Texas Enterprise Zone Program. C.S.H.B. 2644 seeks to revise the definition of "qualified employee" under the Texas Enterprise Zone Act to clarify that an employee of a company may work from home and the company could still qualify for enterprise zone funds, so long as the employee is assigned to and resides within 50 miles of a qualified business site.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 2644 amends the Government Code to revise the definition of a "qualified employee" for purposes of the Texas Enterprise Zone Act as follows:

- by adding the criteria that the employee is a Texas resident; and
- by changing the provision that makes an employee who engages in the transportation of goods and services and reports to and resides within 50 miles of the qualified business site eligible to be considered qualified so that it applies instead to an employee who engages in off-site services and is assigned to and resides within 50 miles of the qualified business site.

Both of these changes apply to an application for an enterprise project designation under the enterprise zone program that is submitted on or after the bill's effective date. The change regarding employees who engage in services off-site also applies to an enterprise project that is under audit or subject to audit by the comptroller of public accounts on or after that date.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2023.

### **COMPARISON OF INTRODUCED AND SUBSTITUTE**

While C.S.H.B. 2644 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Both the introduced and the substitute revise the definition of a "qualified employee" for purposes of the Texas Enterprise Zone Act so that employees who engage in services off-site are included, subject to certain conditions. However, the introduced required that such an employee report to the qualified business site, whereas the substitute requires that the employee be assigned to that site.

The substitute also adds the criterion that a qualified employee must be a Texas resident, whereas the introduced did not, but this criterion applies only to an application for an enterprise project designation that is submitted on or after the bill's effective date and does not apply to an enterprise project that is under audit or subject to audit on or after that date like the other bill provision does.