

BILL ANALYSIS

Senate Research Center

H.B. 4308
By: Gates et al. (Miles)
Local Government
5/25/2025
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The bill author has informed the committee that many counties across Texas struggle to attract major industrial employers due to limited financial incentives, particularly counties with a population of less than three million, that this lack of financial incentives serves to inhibit competition and much-needed economic growth in these counties, and that the local communities in these counties would greatly benefit from more jobs that industrial employers would bring to the area. H.B. 4308 seeks to allow a commissioners court to provide these financial incentives through the establishment of industrial development districts, applicable to any county with a population of not more than three million, to encourage economic growth. These districts would have the power to design, construct, acquire, and maintain improvements and services that support industrial development. Further, the districts could offer loans and grants to stimulate business activity within the district.

H.B. 4308 amends current law relating to the creation of industrial development districts in certain counties, provides authority to issue bonds, and provides authority to impose assessments, fees, or taxes.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8019A, as follows:

CHAPTER 389. COUNTY INDUSTRIAL DEVELOPMENT DISTRICTS

Sets forth standard language for the creation of a county industrial development district (districts). Sets forth standards, procedures, requirements, and criteria for:

Purpose of a district, eligibility for inclusion in special zones, and applicability of certain provisions (Sections 389.001-389.006);

Creation of a district (Sections 389.051-389.054);

Administration of a district, including the composition, appointment, compensation, and terms of a board of directors of a district (board) and the establishment of a district office (Sections 389.101-389.110);

Powers and duties of a district (Sections 389.151-389.159);

General financial provisions and authority to impose a tax and issue bonds and obligations for a district (Sections 389.201-389.306); and

Dissolution of a district by a commissioners court of a county at the petition of a board (Section 389.351).

SECTION 2. Effective date: upon passage or September 1, 2025.