

BILL ANALYSIS

Senate Research Center
82R5183 ATP-F

H.B. 1560
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Economic Development
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under existing law, any potential enterprise zone project that is located in a city's extraterritorial jurisdiction (ETJ) requires the city to nominate the project, even if the project is located in another county.

As a result, the City of Corpus Christi (because its ETJ extends five miles into the county of San Patricio) is forced to use one of its own nine designation whenever a prospective project desires to locate in certain parts of San Patricio County.

In other words, projects located in San Patricio County that are also located within Corpus Christi's ETJ county against Corpus Christi's nine designations but do not count against San Patricio County (which has six designations under the current formula in the law).

The purpose of H.B. 1560 is to allow for more flexibility in the way in which enterprise zone designations are accounted and specifically to address the scenario when there are overlapping jurisdictions between a municipality and a neighboring county.

H.B. 1560 amends current law relating to the authority of counties to nominate projects in the extraterritorial jurisdictions of certain municipalities for designation as enterprise projects.

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 Section 2303.004, Government Code, by adding Subsection (c), as follows:

(c) Authorizes the governing body of a county, notwithstanding Subsection (a), to nominate for designation as an enterprise project a project or activity of a qualified business that is located in the county and in the extraterritorial jurisdiction of a municipality primarily located in another county. Authorizes a county, during any biennium, for purposes of this subsection, to use the maximum number of designations the county is permitted under Section 2303.406(d) (relating to maximum number of enterprise projects) within the territory described by this subsection.

SECTION 2. Effective date: upon passage or September 1, 2011.