

BILL ANALYSIS

Senate Research Center
83R18672 DDT-D

H.B. 2482
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Economic Development
5/10/2013
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties note that when a manufacturing business considers launching a plant or investing in Texas, it often first considers the advantages and disadvantages of doing so. This process generally includes weighing current financial incentives and legal frameworks that would have a direct effect on the business if it chose to set up in or relocate to Texas. When a business declines to launch or invest in Texas, the reasons for its decision often are not made public, and there is neither obligation nor occasion to explain its rationale for declining a business opportunity in Texas. As a consequence, state lawmakers can do little to remedy those factors that prevent businesses from starting or expanding in Texas.

H.B. 2482 amends current law relating to a study to determine the reasons major manufacturers have chosen to invest in other states after considering development in this state.

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. Defines, in this Act, "major manufacturer" to mean a person that is engaged in the business of manufacturing; invested \$1 million or more in developing, expanding, or maintaining manufacturing operations in another state after September 1, 2011, and before September 1, 2014; and was offered economic incentives by the state or a local government related to developing, expanding, or maintaining manufacturing operations in this state before choosing to make that investment.

SECTION 2. Requires the comptroller of public accounts of the State of Texas (comptroller) to conduct a study on the reasons major manufacturers have chosen to invest in other states after the manufacturers were offered economic incentives by the state or a local government to develop in this state. Authorizes the study to include examining those reasons specific to the economic incentives that were offered and to the promotion of manufacturing development. Requires the comptroller's office to solicit interviews with an executive of each major manufacturer that declined the incentives. Requires that the interviews address recommendations for this state to effectively compete with other states in promoting manufacturing development.

SECTION 3. Requires the comptroller, not later than December 1, 2014, to provide a report on the results of the study, including an analysis of the results, to the speaker of the house of representatives, the lieutenant governor, the governor, and each standing committee of the legislature that has relevant jurisdiction.

SECTION 4. Provides that this Act expires January 1, 2015.

SECTION 5. Effective date: upon passage or September 1, 2013.