

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 3063
By: Menéndez (Van de Putte)
Veteran Affairs & Military Installations
5/17/2013
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires that a defense base development authority undergo a process of establishing reinvestment zones within its boundaries.

C.S.H.B. 3063 amends current law relating to defense base development authorities.

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 2303.101, Government Code, as follows:

Sec. 2303.101. QUALIFICATION FOR ENTERPRISE ZONE DESIGNATION. Provides that an area automatically qualified for designation as an enterprise zone if the area is:

- (1) Makes no change to this subdivision;
- (2)-(3) Makes nonsubstantive changes; or
- (4) an area inside the boundaries of a defense base development authority established under Chapter 379B, Local Government Code, that is immediately adjacent to five or more block groups described by Subdivision (1).

SECTION 2. Amends Section 379B.009, Local Government Code, by adding Section 379B.0091, as follows:

Sec. 379B.0091. DESIGNATION AS ENTERPRISE ZONE. Provides that an area inside the boundaries of a defense base development authority established under this chapter that is immediately adjacent to five or more block groups, as defined by the most recent federal decennial census, in which at least 20 percent of the residents of the block group have an income at or below 100 percent of the federal poverty level, automatically qualifies as an enterprise zone as provided by Section 2303.101 (Qualification for Enterprise Zone Designation), Government Code.

SECTION 3. Amends Section 379B.011, Local Government Code, by adding Subsections (c), (d), and (e), as follows:

(c) Provides that a commercial aircraft to be used as an instrumentality of commerce that is under construction inside that authority is presumed to be in interstate, international, or foreign commerce and not located in this state for longer than a temporary period for purposes of Sections 11.01 (Real and Tangible Personal Property) and 21.02 (Tangible Personal Property Generally), Tax Code.

(d) Provides that tangible property located inside the authority is presumed to be in interstate, international, or foreign commerce and not located in this state for longer than a temporary period for purposes of Sections 11.01 and 21.02, Tax Code, if the owner demonstrates to the chief appraiser for the appraisal district in which the authority is located that the owner intends to incorporate the property into or attach the property to a commercial aircraft described by Subsection (c).

(e) Defines, in this section, “commercial aircraft.”

SECTION 4. Provides that the change in law made by Section 3 of this Act applies only to ad valorem taxes imposed for a tax year beginning on or after January 1, 2014.

SECTION 5. (a) Effective date, except as provided by Subsection (b) of this section: upon passage or September 1, 2013.

(b) Effective date, Section 379B.011, Local Government Code, as amended by this Act: January 1, 2014.