

BILL ANALYSIS

Senate Research Center
85R7255 BEF-F

H.B. 2004
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Agriculture, Water & Rural Affairs
5/18/2017
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties have expressed concerns regarding the continued operation of the Texas economic development fund for the Texas Department of Agriculture (TDA). H.B. 2004 addresses this issue by making changes to the fund's composition and use.

H.B. 2004 amends the Agriculture Code to expand the authorized uses of money appropriated to the Texas economic development fund for TDA to include the administration, continuance, implementation, or maintenance of an economic development program originally established as part of TDA's implementation of the state Small Business Credit Initiative; one or more programs to further TDA's duties relating to the solicitation and acceptance of gifts, grants, and donations; one or more programs or services to encourage the export of Texas agricultural products or products manufactured in rural Texas; and an economic development program established through an agreement with a federal agency, foreign governmental entity, local governmental entity, nonprofit organization, private entity, public university, or state governmental entity to encourage rural economic development in Texas. H.B. 2004 includes among the gifts, loans, donations, aid, appropriations, guaranties, allocations, subsidies, grants, or contributions comprising the fund those received under statutory provisions relating to TDA's authority to solicit and accept gifts, grants, and donations.

H.B. 2004 amends current law relating to the Texas economic development fund for the Department of Agriculture.

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 Sections 12.0272(a) and (b), Agriculture Code, as follows:

(a) Provides that the Texas economic development fund (fund) consists of gifts, loans, donations, aid, appropriations, guaranties, allocations, subsidies, grants, or contributions received under Sections 12.022 (Authority to Solicit and Accept Gifts, Grants, and Donations) and 12.027(g) (relating to the Texas Department of Agriculture taking certain actions to further an economic development program in Texas), rather than Section 12.027(g).

(b) Provides that money in the fund is dedicated to and is authorized to be appropriated only to the Texas Department of Agriculture (TDA) for the purposes of administering, continuing, implementing, or maintaining:

- (1) an economic development program originally established as part of TDA's implementation of the State Small Business Credit Initiative;
- (2) one or more of TDA's economic development programs,;
- (3) one or more programs to further TDA's duties under Section 12.022;

(4) one or more programs or services to encourage the export of Texas agricultural products or products manufactured in rural Texas; and

(5) an economic development program established through an agreement with a federal agency, foreign governmental entity, local governmental entity, nonprofit organization, private entity, public university, or state governmental entity to encourage rural economic development in this state.

Deletes existing text authorizing money in the fund to be appropriated only to TDA for the purpose of administering, establishing, implementing, or maintaining an economic development program under this section and dedicated to and authorized to be used only for the administration, establishment, implementation, or maintenance of one or more of TDA's economic development programs.

SECTION 2. Effective date: upon passage or September 1, 2017.