SECTION 3. This Act applies only to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2010. A health benefit plan delivered, issued for delivery, or renewed before January 1, 2010, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2009.

Passed by the House on May 15, 2009: Yeas 144, Nays 0, 1 present, not voting; the House refused to concur in Senate amendments to H.B. No. 451 on May 29, 2009, and requested the appointment of a conference committee to consider the differences between the two houses; the House adopted the conference committee report on H.B. No. 451 on May 31, 2009: Yeas 122, Nays 20, 1 present, not voting; passed by the Senate, with amendments, on May 25, 2009: Yeas 30, Nays 1; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; the Senate adopted the conference committee report on H.B. No. 451 on May 31, 2009: Yeas 30, Nays 1.

Approved June 19, 2009.
Effective September 1, 2009.

CHAPTER 1108

H.B. No. 464

AN ACT

relating to the preparation by the Legislative Budget Board of a dynamic fiscal impact statement for certain bills and joint resolutions affecting taxes and fees.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Chapter 314, Government Code, is amended by adding Section 314.005 to read as follows:

Sec. 314.005. DYNAMIC FISCAL IMPACT STATEMENT ON TAX OR FEE MEASURE. (a) The board shall prepare a dynamic fiscal impact statement for each bill or joint resolution:

(1) that raises or lowers the rate or amount of a tax or fee or proposes an amendment to the Texas Constitution that would raise or lower the rate or amount of a tax or fee; and

(2) for which a fiscal note is prepared indicating a positive or negative impact on revenue of at least $75 million annually.

(b) The dynamic fiscal impact statement must, based on dynamic scoring principles, project for the five-year period beginning on the proposed effective date of the change in the rate or amount of the tax or fee the estimated fiscal and economic impacts of raising or lowering the rate or amount of the tax or fee as proposed, including the impact on:

(1) tax or fee receipts; and

(2) the costs of the specific program, if any, that the tax or fee is designed to directly support.

(c) In this section, "dynamic scoring principles" means a method of estimating the pace of economic growth or the change in the aggregate level of economic output and incomes, in response to a change in the rate or amount of a tax or fee, that takes into consideration factors including:

(1) the direct impact on tax or fee receipts and, if the tax or fee is designed to directly support a specific program, on program costs;

(2) the effects on incentives to work, save, invest, and conduct economic affairs;

(3) the resulting change in the overall level of economic activity;

(4) the impact of the resulting higher or lower level of economic activity on tax or fee receipts and, if the tax or fee is designed to directly support a specific program, on program costs; and
(5) a calculation of the net impact of the legislation proposing the change on the unified budget.

(d) The dynamic fiscal impact statement must be attached to the bill or resolution immediately following the fiscal note attached under Section 314.003.

(e) On the fifth anniversary of the effective date of a bill that becomes law for which a dynamic fiscal impact statement was prepared under this section, the comptroller shall prepare and submit to the presiding officer of each house of the legislature a report that assesses the accuracy of the relevant fiscal note prepared for the bill and the accuracy of the relevant dynamic fiscal impact statement prepared for the bill.

SECTION 2. Section 314.004(c), Government Code, is amended to read as follows:

(c) The impact statement must be attached to the bill or resolution immediately following:

(1) the fiscal note attached under Section 314.003; or

(2) if a dynamic fiscal impact statement is prepared under Section 314.005, the dynamic fiscal impact statement.

SECTION 3. This Act takes effect September 1, 2009.

Passed by the House on May 15, 2009: Yeas 139, Nays 0, 1 present, not voting; the House concurred in Senate amendments to H.B. No. 464 on May 29, 2009: Yeas 142, Nays 0, 1 present, not voting; passed by the Senate, with amendments, on May 26, 2009: Yeas 30, Nays 1.

Approved June 19, 2009.

Effective September 1, 2009.

CHAPTER 1109

H.B. No. 469

AN ACT

relating to the establishment of incentives by this state for the implementation of certain projects to capture and store carbon dioxide that would otherwise be emitted into the atmosphere.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Chapter 490, Government Code, is amended by adding Subchapter H to read as follows:

SUBCHAPTER H. FRANCHISE TAX CREDIT FOR CLEAN ENERGY PROJECT

Sec. 490.351. DEFINITION. In this subchapter, "clean energy project" has the meaning assigned by Section 120.001, Natural Resources Code.

Sec. 490.352. FRANCHISE TAX CREDIT FOR CLEAN ENERGY PROJECT. (a) The comptroller shall adopt rules for issuing to an entity implementing a clean energy project in this state a franchise tax credit. A clean energy project is eligible for a franchise tax credit only if the project is implemented in connection with the construction of a new facility.

(b) The comptroller shall issue a franchise tax credit to an entity operating a clean energy project after:

(1) the Railroad Commission of Texas has issued a certificate of compliance for the project to the entity as provided by Section 120.004, Natural Resources Code;

(2) the construction of the project has been completed;

(3) the electric generating facility associated with the project is fully operational;

(4) the Bureau of Economic Geology of The University of Texas at Austin verifies to the comptroller that the electric generating facility associated with the project is sequestering at least 70 percent of the carbon dioxide resulting from or associated with the generation of electricity by the facility; and