

## **BILL ANALYSIS**

Senate Research Center

H.B. 820  
By: Giddings (West, Royce)  
Intergovernmental Relations  
5/10/2001  
Committee Report (Amended)

### **DIGEST AND PURPOSE**

Current state law limits the number of businesses eligible to be designated as enterprise zone projects in the state and prohibits an area within a municipality from being designated as an enterprise zone if three enterprise zones are already located in the jurisdiction of the municipality. The Texas Enterprise Zone Program was created to stimulate job creation and capital investment in economically distressed communities, but limits on the number of enterprise zones, particularly in larger cities, could impair the ability of the program to help create job opportunities. H.B. 820 increases the maximum number of businesses the Texas Department of Economic Development is authorized to designate as enterprise projects during any biennium and allows an increase in the number of Texas enterprise project designations in each enterprise zone in cities with a population of 250,000 or more.

### **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 2303.403, Government Code, to prohibit the Texas Department of Economic Development (department) from designating more than 85, rather than 65, businesses as enterprise projects during any biennium.

SECTION 2. Amends Section 2303.406, Government Code, by adding Subsection (d), to provide that the maximum number of qualified businesses that the department is authorized to designate as enterprise projects for each nominating body during any biennium is: four, plus two additional bonus projects the department may award in a municipality or county with a population of less than 250,000; or six, if the governing body of the enterprise zone is the governing body of a municipality or county with a population of 250,000 or more.

SECTION 3. Effective date: September 1, 2001.