

## **BILL ANALYSIS**

Senate Research Center  
77R2035 JMG-D

S.B. 143  
By: Shapleigh  
Business & Commerce  
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As Filed

### **DIGEST AND PURPOSE**

Currently, there is no statewide economic development planning process to guide and improve long-term economic development. As proposed, S.B. 143 directs the Comptroller of Public Accounts and the Department of Economic Development to create a statewide plan to coordinate the state's economic development.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Department of Economic Development in SECTION 1 (Section 481.104, Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 481, Government Code, to add Subchapter G, as follows:

#### **SUBCHAPTER G. STATEWIDE ECONOMIC DEVELOPMENT PLAN**

Sec. 481.101. COORDINATED ECONOMIC DEVELOPMENT PLAN. Requires the Texas Department of Economic Development (department), in consultation with the comptroller, to develop a coordinated, comprehensive economic development plan (plan) to provide for the orderly development and management of economic development in this state. Requires the plan to provide for: establishing goals and standards to measure whether state efforts are having a positive economic effect; tracking benefits and wage and retention performance measures; and reevaluating economic development initiatives that offer fewer benefits in relation to their costs.

Sec. 481.102. INITIAL PLAN; UPDATES. Requires the department, no later than September 1, 2002, to adopt the plan. Requires the department, each fifth following year, in consultation with the comptroller, to update the plan.

Sec. 481.103. USE OF PLAN. (a) Requires the plan to be a guide to state economic development policy. Requires the department to take the plan into consideration in matters coming before it.

(b) Requires the department to disseminate the plan to local governments and to encourage the local governments to use the suggested standards to improve efficient allocation and use of economic development resources.

(c) Requires local economic development efforts that produce a cost to the state to adopt the goals and standards established by the plan.

Sec. 481.104. RULES. Requires the department by rule to adopt guidance principles for the state economic development plan that reflect the public interest of the entire state, including the needs of rural and urban areas, economically depressed areas, and areas experiencing significant changes in population.

Sec. 481.105. DELIVERY OF PLAN AND UPDATES. Requires the department to promptly deliver the plan and each update of the plan to the governor, the lieutenant governor, and the speaker of the house of representatives and present the plan for review to the appropriate legislative committees. Requires the plan and updates to include legislative recommendations that the department believes are needed and desirable to facilitate more voluntary economic development.

SECTION 2. Effective date: upon passage or September 1, 2001.