

By: Hall

S.B. No. 1047

A BILL TO BE ENTITLED

AN ACT

relating to abolishing the Texas Enterprise Fund and the disposition of the balance of that fund.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The following laws are repealed:

- (1) Sections 481.078 and 481.080, Government Code;
- (2) Sections 1372.031(b), (c), (d), and (e), Government Code; and
- (3) Section 303.005(a), Labor Code.

SECTION 2. (a) On September 1, 2015, the Texas Enterprise Fund is abolished and the balance of the fund is transferred to the general revenue fund for use in accordance with legislative appropriation, except as provided by Subsections (c), (d), and (e) of this section.

(b) The abolishment of the Texas Enterprise Fund and the repeal of Sections 481.078 and 481.080, Government Code, do not affect the validity of an agreement between the governor and a grant recipient or an entity to be awarded a grant that is entered into under Section 481.078, Government Code, before September 1, 2015.

(c) Money that was deposited in the Texas Enterprise Fund as a gift, grant, or donation under Section 481.078(b)(3), Government Code, and that is encumbered by the specific terms of the gift, grant, or donation may be spent only in accordance with the terms of the gift, grant, or donation.

1 (d) Money from the Texas Enterprise Fund that is encumbered
2 because the money is awarded, by grant, or otherwise obligated by
3 agreement before September 1, 2015, but under the terms of the award
4 or agreement will not be distributed until a later date shall be
5 distributed in accordance with the terms of the award or agreement.
6 If the governor determines that the money will not be distributed in
7 accordance with the terms of the award or agreement, the governor
8 shall certify that fact to the comptroller. On that certification,
9 the comptroller shall make that money available in the general
10 revenue fund to be used in accordance with legislative
11 appropriation.

12 (e) Contingent on the passage and becoming law of
13 legislation of the Regular Session of the 84th Legislature that
14 provides the office of the governor or any division of that office
15 the authority to provide for security of the electrical grid in this
16 state against damage from an electromagnetic pulse or a geomagnetic
17 pulse, money transferred to the general revenue fund as provided by
18 Subsection (a) of this section, other than money described by
19 Subsection (c) or (d) of this section, may be appropriated only to
20 the office of the governor or any division of that office that has
21 the authority to provide for security of the electrical grid in this
22 state against damage from an electromagnetic pulse or a geomagnetic
23 pulse.

24 (f) On or after the effective date of this Act, the
25 following payments or other amounts shall be sent to the
26 comptroller for deposit to the state highway fund:

27 (1) interest earned on the investment of money in the

1 Texas Enterprise Fund;

2 (2) any money returned or repaid by an entity pursuant
3 to an agreement entered into under Section 481.078, Government
4 Code; and

5 (3) any money derived from an interest the state
6 retained in a capital improvement pursuant to an agreement entered
7 into under Section 481.078, Government Code.

8 SECTION 3. Subchapter E, Chapter 481, Government Code, is
9 amended by adding Section 481.0781 to read as follows:

10 Sec. 481.0781. ANNUAL PROGRESS REPORT FOR GRANT RECIPIENTS
11 OF FORMER TEXAS ENTERPRISE FUND. (a) An entity that entered into a
12 grant agreement with the governor under former Section 481.078
13 shall submit to the governor, lieutenant governor, and speaker of
14 the house of representatives an annual progress report on the
15 attainment of each of the performance targets specified in the
16 agreement based on information compiled during the previous
17 calendar year of the report's due date.

18 (b) This section expires September 1, 2030.

19 SECTION 4. The heading to Section 481.079, Government Code,
20 is amended to read as follows:

21 Sec. 481.079. REPORT ON USE OF MONEY IN FORMER TEXAS
22 ENTERPRISE FUND.

23 SECTION 5. Section 481.079, Government Code, is amended by
24 amending Subsections (a), (a-1), and (c) and adding Subsection (d)
25 to read as follows:

26 (a) Before the beginning of each regular session of the
27 legislature, the governor shall submit to the lieutenant governor,

the speaker of the house of representatives, and each other member of the legislature a report on grants made under former Section 481.078 that states:

(1) the number of direct jobs each recipient committed to create in this state;

(2) the number of direct jobs each recipient created in this state;

(3) the median wage of the jobs each recipient created in this state;

(4) the amount of capital investment each recipient committed to expend or allocate per project in this state;

(5) the amount of capital investment each recipient expended or allocated per project in this state;

(6) the total amount of grants made to each recipient;

(7) the average amount of money granted in this state for each job created in this state by grant recipients;

(8) the number of jobs created in this state by grant recipients in each sector of the North American Industry Classification System (NAICS); and

(9) of the number of direct jobs each recipient created in this state, the number of positions created that provide health benefits for employees.

(a-1) For grants awarded for a purpose specified by former Section 481.078(d-1), the report must include only the amount and purpose of each grant.

(c) The governor may require a person who received ~~[recipient of]~~ a grant under former Section 481.078 to submit, on a

form the governor provides, information required to complete the report.

(d) This section expires September 1, 2030.

SECTION 6. Section 1372.031(a), Government Code, is amended to read as follows:

(a) Subject ~~[Except as provided by Subsection (b) and subject]~~ to Sections 1372.0321, 1372.0231, and 1372.035(c), if, on or before October 20, more than one issuer in a category described by Section 1372.022(a)(2), (3), (4), or (6) applies for a reservation of the state ceiling for the next program year, the board shall grant reservations in that category in the order determined by the board by lot.

SECTION 7. Section 1372.063, Government Code, is amended to read as follows:

Sec. 1372.063. PRIORITY 1 CARRYFORWARD CLASSIFICATION. The priority 1 carryforward classification applies to[+]

~~[(1)] an issuer of a state-voted issue[, and~~

~~[(2) a state agency, other than an issuer of a state-voted issue, that applies for a carryforward designation for a project that:~~

~~[(A) is described by Section 1372.067(a)(2); and~~

~~[(B) the Texas Economic Development and Tourism Office determines meets the governor's criteria for funding from the Texas Enterprise Fund].~~

SECTION 8. Section 2306.2585(c), Government Code, is amended to read as follows:

(c) The department may use any available revenue, including

1 legislative appropriations, appropriation transfers from the
2 trustee programs within the office of the governor, including
3 ~~[authorized appropriations from the Texas Enterprise Fund,~~
4 available federal funds, and any ~~[other]~~ statutorily authorized and
5 appropriate funding sources transferred from the trustee programs
6 within the office of the governor, for the purposes of this section.
7 The department shall solicit and accept gifts and grants for the
8 purposes of this section. The department shall use gifts and grants
9 received for the purposes of this section before using any other
10 revenue.

11 SECTION 9. Section 203.021(e), Labor Code, is amended to
12 read as follows:

13 (e) Money in the compensation fund may not be transferred to
14 the ~~[+~~

15 ~~[(1) Texas Enterprise Fund created under Section~~
16 ~~481.078, Government Code, or~~

17 ~~[(2)]~~ Texas emerging technology fund established
18 under Section 490.101, Government Code.

19 SECTION 10. The heading to Section 303.005, Labor Code, is
20 amended to read as follows:

21 Sec. 303.005. ~~[PARTICIPATION IN ADDITIONAL PROGRAMS,~~
22 ~~APPLICATION REQUIREMENTS,]~~ PRIORITY IN AWARDING GRANTS.

23 SECTION 11. Section 314.002(d), Labor Code, is amended to
24 read as follows:

25 (d) The commission, for the purposes of this section, may
26 use:

27 (1) money appropriated to the commission; and

1 (2) money that is transferred to the commission from
2 trusteed programs within the office of the governor, including:

3 (A) ~~[appropriated money from the Texas~~
4 ~~Enterprise Fund,~~

5 ~~[(B)]~~ available federal funds; and

6 (B) ~~[(C)]~~ money from ~~[other]~~ appropriate,
7 statutorily authorized funding sources.

8 SECTION 12. If a conflict exists between this Act and
9 another Act of the 84th Legislature, Regular Session, 2015, that
10 relates to the Texas Enterprise Fund, this Act controls without
11 regard to the relative dates of enactment.

12 SECTION 13. This Act takes effect September 1, 2015.