

SLP 9

82R5120 CLG-D

By: Button

H.B. No. 3215

A BILL TO BE ENTITLED
AN ACT

relating to a limitation on use of corporate revenue by economic development corporations.

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

SECTION 1. Subchapter C, Chapter 504, Local Government Code, is amended by adding Section 504.108 to read as follows:

Sec. 504.108. USE OF REVENUE TO RECRUIT OR RELOCATE BUSINESS FROM NEIGHBORING MUNICIPALITY PROHIBITED. A Type A corporation may not use corporate revenue for purposes of recruiting or relocating to the corporation's authorizing municipality a business from a municipality located in:

(1) the same county as the authorizing municipality;

or

(2) a county adjacent to the county in which the authorizing municipality is located.

SECTION 2. Subchapter C, Chapter 505, Local Government Code, is amended by adding Section 505.107 to read as follows:

Sec. 505.107. USE OF REVENUE TO RECRUIT OR RELOCATE BUSINESS FROM NEIGHBORING MUNICIPALITY PROHIBITED. A Type B corporation may not use corporate revenue for purposes of recruiting or relocating to the corporation's authorizing municipality a business from a municipality located in:

(1) the same county as the authorizing municipality;

or

(2) a county adjacent to the county in which the authorizing municipality is located.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2011.