

BILL ANALYSIS

Senate Research Center

S.B. 200
By: Ellis
Economic Development
3-3-97
As Filed

DIGEST

Currently, Chapter 2303, Government Code, relating to enterprise zones, does not specify any incentives for the development of supermarkets within enterprise zones. A 1996 study by Public Voice for Food and Health Policy, an advocacy group, found that there is a significant lack of access to supermarkets in most inner-city neighborhoods in Texas and across the nation. The absence of supermarkets affects the health, economic security, and quality of life for urban residents. S.B. 200 authorizes state agencies, the governing body of a municipality or county, and the Texas Department of Commerce to provide tax and other incentives for the development of supermarkets in enterprise zones.

PURPOSE

As proposed, S.B. 200 authorizes state agencies, the governing body of a municipality or county, and the Texas Department of Commerce to provide tax and other incentives for the location of a supermarket in an enterprise zone.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 2303F, Government Code, by adding Section 2303.410, as follows:

Sec. 2303.410. QUALIFIED SUPERMARKET OWNER. Sets forth the qualifications for a person to be considered a qualified supermarket owner by the governing body of an enterprise zone.

SECTION 2. Amends the heading of Chapter 2303F, Government Code, as follows:

SUBCHAPTER F. New heading: QUALIFIED BUSINESSES, QUALIFIED SUPERMARKET OWNERS, AND ENTERPRISE PROJECTS

SECTION 3. Amends Section 2303.003, Government Code, to define "qualified supermarket owner." Makes conforming and standard recodification changes.

SECTION 4. Amends Section 2303.053(a), Government Code, to require the Texas Department of Commerce (department) to assist a qualified supermarket owner in obtaining the benefits of any incentive or inducement program by law, as one of the department's duties.

SECTION 5. Amends Section 2303.501(a), Government Code, to include a qualified supermarket owner operating in an enterprise zone as one of the entities that a state agency is authorized to exempt from its regulation under certain guidelines.

SECTION 6. Amends Section 2303.503(a), Government Code, to make conforming changes.

SECTION 7. Amends Section 2303.504, Government Code, to provide that a qualified supermarket owner is entitled to a refund of state taxes under Section 151.432, Tax Code. Makes a conforming

change.

SECTION 8. Amends Section 2303.505(b), Government Code, to make a conforming change.

SECTION 9. Amends Section 2303.506(a), Government Code, to make a conforming change.

SECTION 10. Amends Section 2303.511(a), Government Code, to authorize the governing body of a municipality or county to amend zoning ordinances of the municipality or county to promote the location of a supermarket; and to reduce rates charged by certain utilities to qualified supermarket owners. Makes conforming changes.

SECTION 11. Amends Section 151I, Tax Code, by adding Section 151.432, as follows:

Sec. 151.432. TAX REFUNDS FOR QUALIFIED SUPERMARKET OWNER. Sets forth the guidelines and conditions under which a qualified supermarket owner is eligible for a refund of limited sales, excise, and use taxes imposed by the state upon the labor or building materials used in construction of or providing for a supermarket in an enterprise zone, and upon the purchase of goods and services in the enterprise zone by the owner for operation of the supermarket. Provides that a qualified supermarket owner is eligible for refunds not to exceed \$100,000. Defines "qualified supermarket owner."

SECTION 12. Effective date: September 1, 1997.

SECTION 13. Emergency clause.