

BILL ANALYSIS

Senate Research Center
79R7813 CLG-D

S.B. 1639
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S/C on Emerging Technologies & Economic Dev.
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

When a business enterprise is expanding and under new development, generally, water, sanitary sewer and storm facilities are all required. It is unlikely that a business could promote business development by excluding the funding of sanitary sewer lines.

Currently, Sections 4A and 4B of the Industrial Development Corporation Act permits voters in eligible cities to impose local sales tax dedicated to helping finance their communities' economic development projects. The infrastructure items the funds may pay for are limited to those that promote or enable development of new or expanded business enterprises, including streets, telecommunications infrastructure, and water and electric utilities, etc.

As proposed, S.B. 1639 adds sanitary sewer utilities to the list of items which may be funded with Section 4A/4B revenues.

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 (2)(11), Development Corporation Act of 1979 (Article 5190.6, V.T.C.S.) to redefine "project," to include sanitary sewer utilities.

SECTION 2. Effective date: upon passage or September 1, 2005.