

BILL ANALYSIS

Senate Research Center
84R210 RWG-D

H.B. 2515
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Intergovernmental Relations
5/6/2015
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

United States foreign trade zones are usually located in areas with geographic trade advantages, such as major seaports, international airports, and national frontiers. Interested parties note that these zones, in addition to potentially being eligible for state and local tax benefits, can be used for the unloading, manufacturing, reassembling, testing, sampling, processing, repackaging, and reexporting of certain goods without the intervention of United States customs authorities. These parties assert that, because of the large amount of traffic traveling between the United States and Mexico through the Pharr International Bridge, the City of Pharr is a prime area for the establishment of a foreign trade zone.

H.B. 2515, through such an establishment, seeks to promote the international competitiveness of U.S.-based businesses, expedite international trade, retain and create jobs, and encourage investment, manufacturing, and logistics within the United States.

H.B. 2515 amends current law relating to authority to establish, operate, and maintain a foreign trade zone at or adjacent to the Pharr port of entry.

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 Subchapter D, Chapter 681, Business & Commerce Code, by adding Section 681.179, as follows:

Sec. 681.179. CITY OF PHARR OR DESIGNEE. Authorizes the City of Pharr, or a corporation organized under the laws of this state and designated by the City of Pharr, to apply for and accept a grant of authority to establish, operate, and maintain:

- (1) a foreign trade zone at or adjacent to the Pharr port of entry; and
- (2) other subzones.

SECTION 2. Effective date: upon passage or September 1, 2015.