

## **BILL ANALYSIS**

H.B. 397  
By: Gonzales, Veronica  
Border & Intergovernmental Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The Texas-Mexico border area is a large, strategic, and important region of Texas with a long history and rich resources. Historically, agricultural production has been a mainstay of the border economy. But over the years, the growth in various industries, including manufacturing, trade, banking, and retail, have diversified the region's economy. A number of variables uniquely affect the performance of this region's economy, such as border security and inefficiencies with commerce and trade. While the entire border region faces these challenges, there is no organized entity through which ideas and solutions can be shared to facilitate collaboration and improve public policy.

HB 397 creates the Bureau for Economic Development of the Border Region to conduct research and provide recommendations to the legislature on economic opportunities in the area. The bill seeks to advance the cause of economic development in the region by bringing together talented and interested people to advise and make recommendations to lawmakers with respect to potential border economic development projects.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 397 amends the Government Code to create the Bureau for Economic Development of the Border Region as a partnership of participating public and private entities administered by a public or private institution of higher education that is designated by the steering committee of the bureau and agrees to serve in that capacity. The bill establishes that the bureau's steering committee consists of seven members as follows: one member appointed by the lieutenant governor; one member appointed by the speaker of the house of representatives; three members appointed by the administration of the institution of higher education; the chair of the House Committee on Border and Intergovernmental Affairs, designated by the speaker of the house of representatives; and the chair of the senate committee to which border affairs are referred, designated by the lieutenant governor. The bill requires only the bureau's steering committee members appointed by the lieutenant governor or the speaker of the house of representatives to be residents of the border region. The bill requires members of the bureau's steering committee to be selected to provide the bureau expertise relating to financial planning and development, construction, engineering, and trade. The bill requires the institution of higher education that administers the bureau to provide educational expertise to the bureau.

H.B. 397 establishes that the appointed members of the bureau's steering committee serve staggered terms of two years, with as near as possible to one-half of the members' terms expiring February 1 of each year. The bill establishes that the chairs of the house and senate committees relating to border affairs who serve on the steering committee serve terms that expire February 1 of each odd-numbered year. The bill requires the committee to hold at least one regular meeting

annually, subject to the call of the presiding officer, and requires the committee, at its first meeting, to select a presiding officer from its membership.

H.B. 397 requires the lieutenant governor to appoint one committee member to serve a term expiring February 1, 2012; requires the speaker of the house of representatives to appoint one member to serve a term expiring February 1, 2012; and requires the administration of the institution of higher education that administers the bureau to appoint one member to serve a term expiring February 1, 2012, and two members to serve a term expiring February 1, 2013. The bill requires the initial members of the bureau's steering committee to designate the institution of higher education as required by the bill as soon as practicable after the members have been appointed or designated. The bill authorizes the institution of higher education that administers the bureau to provide facilities and services to further the purposes of the bureau. The bill exempts the bureau from certain laws relating to the duration of state agency advisory committees.

H.B. 397 requires the bureau to facilitate research in fields of study affecting the economy in the border region; make recommendations to the legislature regarding the provision of economic and financial education to persons living in the border region; draft and submit reports to advise the legislature about economic development opportunities in the border region; provide evaluation of specific proposals for use of economic development funds in the border region, including tax abatement agreements; consult with the Texas Economic Development and Tourism Office within the office of the governor on issues related to the border region; study and report on opportunities to improve trade across the international border; and make recommendations to the legislature about the establishment of infrastructure projects to assist multiple counties in the border region.

H.B. 397 authorizes the bureau to apply for and accept funds from the federal government or any other public or private entity to carry out the bureau's duties, in addition to any amount appropriated by the legislature, and authorizes the bureau or any member of the bureau's steering committee to also solicit and accept pledges, gifts, and endowments from private sources on the bureau's behalf. The bill requires the bureau to actively seek gifts from businesses and organizations that represent businesses to support the bureau's functions and requires a pledge, gift, or endowment solicited to be consistent with the purposes of the bureau.

H.B. 397 defines "border region" and "bureau."

**EFFECTIVE DATE**

September 1, 2011.