

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 397
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International Relations & Trade
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas-Mexico border area is a region of great economic importance. Mexico is Texas's largest trading partner and the Mexican and Texas economies are closely tied. Those ties have evolved to include almost all sectors of the Texas economy.

A number of variables uniquely affect the performance of the border region's economy. Variables like border security, commerce and trade, and international relations can have a profound impact on the economic strength of the areas along the shared border. Currently, there is no organized entity that is reviewing these variables to facilitate collaboration and to improve public policy.

C.S.H.B. 397 creates the Bureau for Economic Development of the Border Region to review these variables and make recommendations to the legislature on economic opportunities in the area. This 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.

C.S.H.B. 397 amends current law relating to the creation of the Bureau for Economic Development of the Border Region.

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 Subtitle F, Title 4, Government Code, by adding Chapter 490D, as follows:

CHAPTER 490D. BUREAU FOR ECONOMIC DEVELOPMENT OF THE BORDER REGION

Sec. 490D.001. DEFINITIONS. Defines "border region" and "bureau" in this chapter.

Sec. 490D.002. BUREAU; MEMBERS. (a) Provides that the Bureau for Economic Development of the Border Region (bureau) is a collaboration of participating entities administered by an institution of higher education as provided by Subsection (b). Requires the bureau to work in collaboration with public and private entities solely in an advisory capacity on relevant research focused on the border region to effectively maximize the economic potential of the region.

(b) Requires the administration of the bureau, except as provided by Subsection (h), to alternate on September 1 of each odd-numbered year among the following institutions of higher education in the following order:

(1) a private university that is located in a municipality that contains more than 75 percent of the population of a county with a population of 1.5

million or more that has an economic development research institute dedicated to researching regional economies, selected by the speaker of the house of representatives;

- (2) The University of Texas at Brownsville;
- (3) The University of Texas--Pan American;
- (4) The University of Texas at El Paso;
- (5) The University of Texas at San Antonio; and
- (6) Texas A&M International University.

(c) Provides that the bureau has a steering committee that consists of the following members:

- (1) one member appointed by the lieutenant governor;
- (2) one member affiliated with a private university described by Subsection (b)(1), appointed by the speaker of the house of representatives;
- (3) one member appointed by the administration of each of the following institutions of higher education:
 - (A) The University of Texas at Brownsville;
 - (B) The University of Texas--Pan American;
 - (C) The University of Texas at El Paso;
 - (D) The University of Texas at San Antonio; and
 - (E) Texas A&M International University.
- (4) the chair of the House Committee on Border and Intergovernmental Affairs, designated by the speaker of the house of representatives; and
- (5) the chair of the Senate Committee of International Relations and Trade, designated by the lieutenant governor.

(d) Requires the members of the steering committee appointed under Subsections (c)(2) and (3) to represent a center, division, or institute for economic development, border studies, enterprise development, workforce development, or similar matters within the institution of higher education.

(e) Requires the member of the steering committee appointed under Subsection (c)(1) to be a resident of the border region. Authorizes the other appointed or designated members of the steering committee to be residents of the border region.

(f) Requires members of the steering committee to be selected to provide the bureau expertise in matters relating to financial planning and development, construction, engineering, economic development, employment, or trade.

(g) Requires the institution of higher education that administers the bureau to provide educational expertise to the bureau.

(h) Authorizes an institution of higher education to decline to administer the bureau for a biennium if the institution notifies each of the members of the committee not later than the 30th day before the date the institution is scheduled to begin administering the bureau. Provides that if an institution declines to administer the bureau:

(1) the next institution of higher education scheduled to administer the bureau shall administer the bureau during the biennium;

(2) the member affiliated with the institution of higher education that has declined to administer the bureau must continue to participate in the steering committee but does not serve as the presiding officer for the biennium; and

(3) the institutions of higher education listed in Subsection (b) shall continue to alternate the administration of the bureau in the order required by that subsection for subsequent bienniums.

Sec.490D.003. TERMS. (a) Provides that the members of the steering committee appointed under Sections 490D.002(c)(1), (2), and (3) serve staggered terms of two years, with four of the members' terms expiring September 1 of each odd-numbered year.

(b) Authorizes a member to serve more than one term.

Sec. 490D.004. MEETINGS; OFFICERS. (a) Requires the steering committee to hold at least one regular meeting annually.

(b) Provides that the member of the steering committee affiliated with the institution of higher education that is administering the bureau as provided by Section 490D.002(b) serves as the presiding officer.

(c) Requires the steering committee to meet subject to the call of the presiding officer.

Sec. 490D.005. DUTIES. (a) Requires the bureau, subject to Subsection (b), to:

(1) facilitate research in fields of study affecting the economy in the border region;

(2) make recommendations to the legislature regarding the provision of economic and financial education to persons living in the border region;

(3) draft and submit reports to advise the legislature about economic development opportunities in the border region;

(4) provide evaluation of specific proposals for use of economic development funds in the border region, including tax abatement agreements;

(5) consult the Texas Economic Development and Tourism Office within the office of the governor on issues related to the border region;

(6) study and report on opportunities to improve trade across the international border; and

(7) make recommendations to the legislature about the establishment of infrastructure projects to assist multiple counties in the border region.

(b) Requires two-thirds of the members of the steering committee present at a meeting at which a quorum is present, before a recommendation or evaluation is made under Subsection (a), to approve the recommendation or evaluation.

Sec. 490D.006. FUNDING. (a) Authorizes the bureau or any member of the bureau's steering committee to solicit and accept pledges, gifts, and endowments from private sources on the bureau's behalf. Requires the bureau to actively seek gifts from businesses and organizations that represent businesses to support the bureau's functions. Requires a pledge, gift, or endowment solicited under this section to be consistent with the purposes of the bureau.

(b) Prohibits the legislature from making an appropriation for the duties or functions of the bureau.

Sec. 490D.007. FACILITIES AND OTHER ASSISTANCE. Authorizes the institution of higher education that administers the bureau to provide facilities and services to further the purposes of the bureau.

Sec. 490D.008. DURATION. Provides that Section 2110.008 (Duration of Advisory Committees) does not apply to the bureau.

SECTION 2. Requires in appointing the initial appointed members of the steering committee of the bureau under Section 490D.002, Government Code, as added by this Act:

(1) the lieutenant governor to appoint one member to serve a term expiring September 1, 2013;

(2) the speaker of the house of representatives to appoint one member under Section 490D.002(c)(2), as added by this Act, to serve a term expiring September 1, 2013;

(3) the administration of The University of Texas at Brownsville to appoint one member to serve a term expiring September 1, 2013;

(4) the administration of The University of Texas--Pan American to appoint one member to serve a term expiring September 1, 2013;

(5) the administration of The University of Texas at El Paso to appoint one member to serve a term expiring September 1, 2014;

(6) the administration of The University of Texas at San Antonio to appoint one member to serve a term expiring September 1, 2014; and

(7) the administration of Texas A&M International University to appoint one member to serve a term expiring September 1, 2014.

SECTION 3. Effective date: September 1, 2011.