

1 AN ACT

2 relating to the use of money from the Texas economic development
3 bank fund for rural rail development.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 489.102(b), Government Code, is amended
6 to read as follows:

7 (b) The bank may:

8 (1) provide, as provided under the programs the bank
9 administers under Section 489.108 or otherwise as provided by law:

10 (A) qualifying communities with tax incentives
11 for expanding businesses or businesses relocating to this state;

12 (B) incentives to lenders to:

13 (i) make loans to near-bankable businesses
14 in the lender's community; and

15 (ii) make low-interest loans to qualifying
16 businesses; and

17 (C) bond-based long-term debt financing for
18 capital investment in public entities, in large commercial and
19 industrial projects, and for other economic development purposes;

20 (2) act as a link between businesses searching for
21 investment capital and potential investors;

22 (3) inform institutional lenders of economic
23 development plans and strategies for each region of this state and
24 encourage institutional lenders to support those plans in their

1 marketing and investment strategies;

2 (4) offer communities a one-stop source of financing
3 for their economic development efforts;

4 (5) provide communities with technical assistance in
5 the development of their incentive programs to attract and retain
6 businesses and in the design of incentive packages for specific
7 proposals; ~~and~~

8 (6) provide expanding businesses or businesses
9 relocating to this state with a single source of information
10 concerning financial incentives offered by this state to those
11 businesses; and

12 (7) provide grants or financing to the Texas
13 Department of Transportation to implement the department's powers
14 and duties relating to rural rail development under Chapter 91,
15 Transportation Code.

16 SECTION 2. Section 489.104, Government Code, is amended to
17 read as follows:

18 Sec. 489.104. ALLOCATION OF RESOURCES. The bank may
19 allocate its resources as necessary to efficiently meet the level
20 of demand experienced by:

21 (1) each program or service described by Section
22 489.108; and

23 (2) the Texas Department of Transportation under
24 Section 489.102(b)(7).

25 SECTION 3. Section 91.071(b), Transportation Code, is
26 amended to read as follows:

27 (b) Except for money received from the Texas economic

1 development bank fund under Section 489.102, Government Code, the
2 ~~[The]~~ department may not spend money from the general revenue fund
3 to implement this chapter except pursuant to a line-item
4 appropriation.

5 SECTION 4. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2007.

David Newkirk

President of the Senate

Tom Craddick

Speaker of the House

I certify that H.B. No. 2660 was passed by the House on May 11, 2007, by the following vote: Yeas 143, Nays 0, 2 present, not voting.

Robert Haney
Chief Clerk of the House

I certify that H.B. No. 2660 was passed by the Senate on May 23, 2007, by the following vote: Yeas 31, Nays 0.

Patsy Saw
Secretary of the Senate

APPROVED: _____

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
10 PM O'CLOCK

JUN 15 2007

Roger Winnie
Secretary of State



OFFICIAL MEMORANDUM
STATE OF TEXAS
OFFICE OF THE GOVERNOR
MESSAGE

I am signing House Bill No. 2660, which permits the Texas Economic Development Bank at the Office of the Governor to provide grants to the Texas Department of Transportation (TxDOT) for rural rail development.

Currently, the transportation code grants TxDOT the authority to create rural rail districts but provides no state funding to assist in the creation of rural rail districts. House Bill No. 2660 will now direct my Office to fund these grants, and yet again, no funds were provided to the Economic Development Bank for grant awards.

I feel it is important for Texans to have additional means of transportation; however, funding is needed to fulfill that purpose.



IN TESTIMONY WHEREOF, I
have signed my name officially
and caused the Seal of the State
to be affixed hereto at Austin,
this 15th day of June, 2007.

Rick Perry
RICK PERRY
Governor of Texas

ATTESTED BY:

Roger Williams
ROGER WILLIAMS
Secretary of State

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
10 PM O'CLOCK
JUN 15 2007