



Senate
Economic Development Committee

ID# 12785
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Room 1020
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P.O. Box 12068
Capitol Station
Austin, Texas 78711

June 17, 1991

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Opinion Committee

The Honorable Dan C. Morales
Attorney General
Post Office Box 12548
Austin, TX 78711-2548

Dear Mr. Morales:

As Chairman of the Senate Economic Development Committee I have been asked to seek an opinion with regard to the usage of Industrial Development Funds pursuant to Tex. Rev. Civ. Stat. Ann. Article 5190.6 (Vernon's Supp. 1991). Section 2(10) and Section 4A(h) state that a municipal industrial development corporation may only undertake projects consisting of, among other things, manufacturing and industrial facilities.

The question for the Opinion Committee and your consideration is whether a municipal industrial development corporation may use funds generated by the 1/2 percent sales tax for the purpose of acquiring, constructing and operating a "for profit" hospital or clinic.

Thank you for your attention in this regard,

Sincerely,


Temple Dickson

TD/smr