

BILL ANALYSIS

Senate Research Center
77R6000 GJH-F

S.B. 1480
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DIGEST AND PURPOSE

Under current law, municipalities that have created tax increment reinvestment zones are authorized to appoint 10 and sometimes more members to the board of directors of the zone while other participating tax units are each authorized to appoint only one member. As proposed, S.B. 1480 authorizes a taxing unit approving participation in the zone to have the right to appoint as many members as are appointed by the municipality that created the zone. The board continues to consist of at least five and not more than 15 members.

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 Sections 311.009(a), (b), and (f), Tax Code, as follows:

(a) Deletes text regarding an exception in Subsection (b). Authorizes a taxing unit other than a municipality that has entered into an agreement under Section 311.013 to pay all or part of the tax increment produced by the unit into the tax increment fund for the zone to appoint the same number of members as are appointed by the municipality that created the zone. Makes a conforming change. Deletes text authorizing the governing body of certain municipalities to appoint directors to the board.

(b) Authorizes a taxing unit, if the zone was designated under Section 311.005(a)(5), to appoint a member of the board only if the taxing unit has entered into an agreement under Section 311.013 to pay all or part of the tax increment produced by the unit into the tax increment fund for the zone. Deletes text regarding the number of members on the board of directors of the zone. Deletes text regarding school districts and counties. Deletes text regarding the remaining members of the board appointed by the governing body of the municipality that created the zone.

(f) Requires the board of the directors of a reinvestment zone (rather than the governing body of the municipality) each year to appoint one member of the board to serve as chairman for a term of one year that begins on January 1 of the following year.

SECTION 2. Amends Section 312.002, Tax Code, by adding Subsection (e), to authorize the governing body of a taxing unit to include in the unit's guidelines a fee in an amount not to exceed \$1,000 for a person applying for or requesting a tax abatement under this chapter.

SECTION 3. Authorizes Section 312.003, Tax Code, to delete text regarding authorizing certain information to be subject to disclosure when the tax abatement agreement is executed. Deletes text providing that information in the custody of a taxing unit after the agreement is executed is not confidential under this section.

SECTION 4. Amends Section 312.204(a), Tax Code, to authorize the agreement to take effect on January 1 of the year following the year in which the improvements or repairs are substantially completed.

SECTION 5. Amends Section 312.206(a), Tax Code, to delete text regarding executing a written tax abatement agreement with the owner of the property by a certain date.

SECTION 6. Provides that Sections 311.009(a) and (b), Tax Code, as amended by this Act, apply only to the appointment of the board of directors of a reinvestment zone that occurs on or after the effective date of this Act. Provides that the appointment of the board of directors of a reinvestment zone that occurs before the effective date of this Act is governed by the law that was in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 7. Effective date: September 1, 2001.