

By: González of Dallas

H.B. No. 468

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the authority of certain municipalities to designate an
3 area as a homestead preservation district and reinvestment zone and
4 the use of tax increment revenue in that area.

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

6 SECTION 1. Section 373A.052(b), Local Government Code, is
7 amended to read as follows:

8 (b) To be designated as a district within a municipality
9 described by Section 373A.003(b) under this subchapter, an area
10 must be composed of census tracts forming a spatially compact area
11 [~~contiguous to a central business district and~~] with:

12 (1) fewer than 75,000 residents; and

13 (2) a median family income that is less than 70 percent
14 of the area median family income, adjusted for household size, as
15 determined annually by the United States Department of Housing and
16 Urban Development [~~\$30,000 according to the last decennial census,~~
17 ~~and~~

18 [~~(3) an overall poverty rate that is at least two times~~
19 ~~the poverty rate for the entire municipality]~~.

20 SECTION 2. Section 373A.1541, Local Government Code, is
21 amended to read as follows:

22 Sec. 373A.1541. TAX INCREMENT FINANCING AND ABATEMENT. (a)
23 Designation of an area as a homestead preservation reinvestment
24 zone is also designation of the area as a reinvestment zone for tax

1 increment financing under Chapter 311, Tax Code.

2 (b) Notwithstanding Section 311.014(d), Tax Code, or any
3 other law, and subject to any agreement with bondholders, revenue
4 in a tax increment fund other than a fund established under this
5 subchapter may be used for projects under this subchapter if:

6 (1) the revenue was collected with respect to:

7 (A) a reinvestment zone that was designated under
8 other law before September 1, 2021; and

9 (B) an area designated as a homestead
10 preservation reinvestment zone under this subchapter; and

11 (2) all project costs, all tax increment bonds or
12 notes issued for the reinvestment zone for which the revenue was
13 collected, and any other obligations incurred for that zone have
14 been paid.

15 SECTION 3. This Act takes effect September 1, 2021.