

## **BILL ANALYSIS**

C.S.H.B. 2092  
By: Hill  
Business & Industry  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The increased utilization of different transit options such as commuter rail is expected to result in new ways of developing neighborhoods. Transit oriented development places a mix of residential, retail, shopping, schools, and public parks, and green spaces within walking distance of transit stations.

The use of tax increment financing districts are critical to the ability of local jurisdictions to finance infrastructure for these developments. However, the current authority of municipalities to designate a reinvestment zone is vague.

C.S.H.B. 2092 allows municipalities to designate an area as a reinvestment zone if the proposed plan for a the zone includes commuter or mass transit rail.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 2092 amends Section 311.005, Tax Code by adding Subsection (a-1) to allow the governing body of a municipality to designate an area as a reinvestment zone if the project plan for the area includes the use of land for transit purposes.

### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The original bill stipulated that a municipality must determine that an area is unproductive, underdeveloped, or blighted in order to designate it as a reinvestment zone. C.S.H.B. 2092 removes that requirement from the bill for transit purposes.