

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 19, 2007**

**TO:** Honorable Kyle Janek, Chair, Senate Committee on S/C on Emerging Technologies & Economic Dev.

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: SB1264** by Brimer (Relating to the authority of a taxing unit to make a loan to the board of directors of a tax increment financing reinvestment zone for deposit in the tax increment fund for the zone.), **As Introduced**

<p><b>No fiscal implication to the State is anticipated.</b></p>
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The bill would amend Chapter 311 of the Tax Code to allow a taxing unit that levies taxes on real property in a reinvestment zone to make a loan to the board of directors of the zone for deposit in the tax increment fund for the zone. Under the provisions of the bill, the loan would not be considered a tax increment bond under Section 311.015 of the Tax Code; instead, it would be considered an authorized investment under Chapter 2256 of the Government Code and an obligation incurred for the zone.

The bill would take effect immediately upon enactment if it receives two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

**Local Government Impact**

The Comptroller of Public Accounts states that the fiscal impact on units of local government cannot be determined as the taxing units that would make a loan and the terms of a loan described by the bill are not known.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JOB, JRO, EB