

BILL ANALYSIS

H.B. 413
By: Isett
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

In 2001, Lubbock created the downtown tax increment financing district to revitalize downtown Lubbock. Due to a number of circumstances, progress was not made on redevelopment until the past few years. Lubbock is now in the process of a downtown revitalization effort; however, the process is hindered by a termination date of 2020 for the downtown tax increment financing district. By extending the termination date, Lubbock may better plan the long-term redevelopment effort.

H.B. 413 authorizes a municipality that has a population of 195,000 or more and is the county seat of a county that has a population of 245,000 persons or less to extend the termination date of a previously established reinvestment zone.

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

H.B. 413 amends the Tax Code to authorize a municipality by ordinance adopted subsequent to the ordinance creating a reinvestment zone to designate a termination date for the zone that is later than the termination date designated in the ordinance creating the zone but not later than the 20th anniversary of the original termination date. The bill provides that if a municipality adopts an ordinance extending the termination date, a reinvestment zone terminates on the earlier of either the termination date designated in a subsequent ordinance extending the date or the date on which all project costs, tax increment bonds and interest on those bonds, and other obligations have been paid in full. The bill makes its provisions applicable to a reinvestment zone created by a municipality that has a population of 195,000 or more and is the county seat of a county that has a population of 245,000 or less.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.