

1-1 By: England (Senate Sponsor - West) H.B. No. 1134
1-2 (In the Senate - Received from the House April 29, 2009;
1-3 May 4, 2009, read first time and referred to Committee on Economic
1-4 Development; May 19, 2009, reported favorably by the following
1-5 vote: Yeas 5, Nays 0; May 19, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the authority of the Dallas County Flood Control
1-9 District No. 1 to enter into a tax abatement agreement and to
1-10 designate a reinvestment zone.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 16A, Chapter 1081, Acts of the 68th
1-13 Legislature, Regular Session, 1983, is amended to read as follows:

1-14 Sec. 16A. TAX ABATEMENT CRITERIA. The district may enter
1-15 into a tax abatement agreement and may designate an area as a
1-16 reinvestment zone on a finding by the board of directors that the
1-17 proposed commercial-industrial or residential project or projects
1-18 meet the criteria prescribed by Section 16D of this Act. The
1-19 agreement must provide for the availability of tax abatement for
1-20 both new facilities and structures and for the expansion or
1-21 modernization of existing facilities and structures.

1-22 SECTION 2. Sections 16C(b) and (c), Chapter 1081, Acts of
1-23 the 68th Legislature, Regular Session, 1983, are amended to read as
1-24 follows:

1-25 (b) The resolution must describe the boundaries of the zone
1-26 and the eligibility of the zone for commercial-industrial or
1-27 residential tax abatement.

1-28 (c) Area of a reinvestment zone designated for
1-29 commercial-industrial or residential tax abatement may be included
1-30 in an overlapping or coincidental commercial-industrial or
1-31 residential zone established under Chapter 312, Tax Code.

1-32 SECTION 3. Section 16D(b), Chapter 1081, Acts of the 68th
1-33 Legislature, Regular Session, 1983, is amended to read as follows:

1-34 (b) The designation of a reinvestment zone for
1-35 commercial-industrial or residential tax abatement expires five
1-36 years after the date of the designation and may be renewed for
1-37 periods not to exceed five years. The expiration of the designation
1-38 does not affect an existing tax abatement agreement made under this
1-39 Act.

1-40 SECTION 4. Section 16E(a), Chapter 1081, Acts of the 68th
1-41 Legislature, Regular Session, 1983, is amended to read as follows:

1-42 (a) The district may agree in writing with the owner of
1-43 taxable real property that is located in a reinvestment zone, but
1-44 that is not in an improvement project financed by tax increment
1-45 bonds, to exempt from taxation a portion of the value of the real
1-46 property or of tangible personal property located on the real
1-47 property, or both, for a period not to exceed 30 years, subject to
1-48 the rights of holders of outstanding bonds of the district, on the
1-49 condition that the owner of the property make specific improvements
1-50 or repairs to the property. An agreement may provide for the
1-51 exemption of the real property in each year covered by the agreement
1-52 only to the extent its value for that year exceeds its value for the
1-53 year in which the agreement is executed. An agreement may provide
1-54 for the exemption of tangible personal property located on the real
1-55 property in each year covered by the agreement other than tangible
1-56 personal property that was located on the real property at any time
1-57 before the period covered by the agreement with the district. An
1-58 agreement may cover more than one commercial-industrial or
1-59 residential project.

1-60 SECTION 5. The changes in law made by this Act apply only to
1-61 a tax abatement agreement entered into or a designation of a
1-62 reinvestment zone made by the Dallas County Flood Control District
1-63 No. 1 on or after the effective date of this Act. A tax abatement
1-64 agreement entered into or a designation of a reinvestment zone made

2-1 by the district before the effective date of this Act is governed by
2-2 the law in effect when the contract was entered into or the
2-3 designation was made, and that law is continued in effect for that
2-4 purpose.

2-5 SECTION 6. This Act takes effect September 1, 2009.

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