1-1 By: West   S.B. No. 1947
1-2   (In the Senate - Filed March 12, 2009; March 24, 2009, read
1-3 first time and referred to Committee on Economic Development;
1-4 April 7, 2009, reported favorably by the following vote: Yeas 5,
1-5 Nays 0; April 7, 2009, sent to printer.)

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

1-8 relating to the authority of two or more municipalities to
1-9 designate a joint tax increment financing reinvestment zone.
1-10   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-11   SECTION 1. Chapter 311, Tax Code, is amended by adding
1-12 Section 311.0035 to read as follows:
1-13   Sec. 311.0035. PROCEDURE   FOR   DESIGNATING   JOINT
1-14 REINVESTMENT ZONE.   (a) The governing bodies of two or more
1-15 municipalities by ordinance adopted by each municipality may
1-16 designate a contiguous area in the jurisdiction of each of the
1-17 municipalities to be a joint reinvestment zone.   Except as
1-18 otherwise provided by this section, each of the municipalities must
1-19 follow the procedures provided by Section 311.003 to designate an
1-20 area as a joint reinvestment zone. The ordinances adopted by all of
1-21 the municipalities designating an area as a joint reinvestment zone
1-22 must contain the same terms and must:
1-23   (1)   describe   the   boundaries   of   the   zone   with
1-24 sufficient definiteness to identify with ordinary and reasonable
1-25 certainty the territory included in the zone;
1-26   (2)   create a board of directors for the zone and
1-27 specify:
1-28   (A)   the number of directors;
1-29   (B)   the qualifications of directors;
1-30   (C)   the manner in which directors are appointed;
1-31   (D)   the terms of directors;
1-32   (E)   the manner in which vacancies on the board
1-33 are filled; and
1-34   (F)   the manner by which officers of the board are
1-35 selected;
1-36   (3)   provide that the zone takes effect immediately on
1-37 adoption of the ordinance by the last of the municipalities in the
1-38 jurisdiction of which the area contained in the zone is located;
1-39   (4)   provide a termination date for the zone;
1-40   (5)   assign a name to the zone for identification
1-41 purposes, which may include the name of one or more of the
1-42 designating municipalities and may contain a number;
1-43   (6)   establish a tax increment fund for the zone; and
1-44   (7)   contain findings that:
1-45   (A)   improvements in the zone will significantly
1-46 enhance the value of all taxable real property in the zone and will
1-47 be of general benefit to the municipalities; and
1-48   (B)   the area meets the requirements of Sections
1-49 311.005(a)(1) and (2) and (a-1).
1-50   (b)   For purposes of complying with Subsection (a)(7)(A),
1-51 the ordinances are not required to identify the specific parcels of
1-52 real property to be enhanced in value.
1-53   (c)   The restrictions applicable to other reinvestment zones
1-54 under Section 311.006 apply to a joint reinvestment zone designated
1-55 under this section.
1-56   (d)   The boundaries of a joint reinvestment zone may be
1-57 enlarged or reduced by ordinance of the governing bodies of the
1-58 municipalities that designated the zone, subject to the
1-59 restrictions contained in this section.
1-60   (e)   The municipalities designating a joint reinvestment
1-61 zone may exercise any power necessary and convenient to carry out
1-62 this section and the other provisions of this chapter, including
1-63 the powers listed in Section 311.008.
1-64   (f)   Except as otherwise provided by this section, the board

2-1 of directors of a joint reinvestment zone has the same powers and
2-2 duties and is subject to the same limitations as the board of
2-3 directors of a reinvestment zone designated by a single
2-4 municipality. Sections 311.011, 311.012, 311.0123, 311.013,
2-5 311.014, 311.015, 311.016, 311.0163, and 311.018 apply to the
2-6 municipalities designating a joint reinvestment zone, except that a
2-7 reference in those sections to a municipality means all of the
2-8 municipalities designating a joint reinvestment zone and an action
2-9 required of a municipality under those sections is considered to be
2-10 required of all of the municipalities designating a joint
2-11 reinvestment zone.
2-12   (g) Expenditures from tax increment financing funds or
2-13 bonds secured by tax increment financing may be made without regard
2-14 to the location from which the funds were derived or the location
2-15 within the joint reinvestment zone at which the funds are spent, but
2-16 only if those expenditures are authorized as required by this
2-17 chapter.
2-18   SECTION 2. This Act takes effect immediately if it receives
2-19 a vote of two-thirds of all the members elected to each house, as
2-20 provided by Section 39, Article III, Texas Constitution. If this
2-21 Act does not receive the vote necessary for immediate effect, this
2-22 Act takes effect September 1, 2009.

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