

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 26, 2009

TO: Honorable Rene Oliveira, Chair, House Committee on Ways & Means

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

IN RE: HB88 by Martinez, "Mando" (Relating to the use of revenue from a tax increment fund to acquire, construct, or reconstruct educational facilities.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 311 of the Tax Code, to add educational facilities to project costs that could be authorized by a project plan under the Tax Increment Financing Act.

The bill would enable cities or counties to use property taxes paid into a tax increment fund to build educational facilities. Currently, cities or counties use tax increment funds to build other public works such as utilities, streets, sewers, parks, and drainage facilities. The ability to use these funds for educational facilities would not create additional costs for the state or local taxing units.

The bill would take effect immediately upon enactment if it receives two-thirds vote. Otherwise, it would take effect September 1, 2009.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 701 Central Education Agency

LBB Staff: JOB, MN, SD, TP