

BILL ANALYSIS

H.J.R. 63
By: Pickett
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

A provision of the Texas Constitution gives the legislature the power to authorize, by general law, an incorporated city or town to issue bonds for development or redevelopment of property and to pledge increases in property tax revenues for the repayment of those bonds or notes. However, that provision does not expressly give the legislature the power to grant that same bonding authority to counties. The absence of explicit language in this regard may mean that county-initiated tax increment financing provisions are potentially subject to constitutional challenge.

The goal of H.J.R. 63 is to eliminate the apparent discrepancy between the treatment of cities and towns and the treatment of counties with respect to the authority to implement tax increment financing by explicitly including counties in the constitutional provision that authorizes the legislature, by general law, to authorize such local issues of bonds and pledges of revenue.

RULEMAKING AUTHORITY

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.J.R. 63 proposes an amendment to the Texas Constitution to authorize the legislature, by general law, to authorize a county to issue bonds or notes to finance the development or redevelopment of an unproductive, underdeveloped, or blighted area within the county and to pledge increases in property tax revenues imposed on property in the area by the county and other political subdivisions for repayment of those bonds or notes. The resolution sets out the required ballot language.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 8, 2011.