

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 17, 2011

TO: Honorable Tommy Williams, Chair, Senate Committee on Transportation & Homeland Security

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

IN RE: HB629 by Pickett (Relating to the use of municipal or county sales tax increment financing for a transportation reinvestment zone.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Transportation Code to authorize the governing body of a municipality or a county to designate an area as a transportation reinvestment zone and establish a tax increment account. The municipality or county would be allowed to use a portion of tax increment generated from sales and use taxes imposed for deposit into a tax increment account and could use those funds to pay for authorized projects, tax increment bonds, notes or other obligations, but not for property tax reduction or computation of a county tax rate.

The bill would allow the governing body of a municipality or a county to authorize the comptroller to withhold from any payment into the account, amounts due that are related to the transportation reinvestment zone.

The bill would require the governing body of a municipality or county to hold a public hearing not later than the 30th day before proposing to designate a portion or amount of sales tax increment under Subsection (b), and not later than the seventh day before the date of the hearing, publish a notice of the hearing in a newspaper with general circulation in the county or municipality.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KJG, TP