

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 12, 2011**

**TO:** Honorable Larry Phillips, Chair, House Committee on Transportation

**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 Introduced**

**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.

**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