

BILL ANALYSIS

H.B. 2641
By: Fallon
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties assert that expanding the types of areas that qualify to be designated as a reinvestment zone for purposes of the Tax Increment Financing Act would enable additional cities to negotiate and allocate future property taxes between operational costs that will be paid for by cities for essential services and the debt service costs necessary to pay for public improvements. H.B. 2641 seeks to address this issue.

RULEMAKING AUTHORITY

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

ANALYSIS

H.B. 2641 amends the Tax Code to include among the areas that qualify to be designated as a reinvestment zone for purposes of the Tax Increment Financing Act an area that is substantially undeveloped and is located in a municipality with a population of less than 20,000 and in a county with a population of more than 660,000 and less than 690,000 that borders a county with a population of two million or more.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.