

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 26, 2013**

**TO:** Honorable Harvey Hilderbran, Chair, House Committee on Ways & Means

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2641** by Fallon (Relating to the criteria for designation of an area as a reinvestment zone for purposes of tax increment financing.), **As Introduced**

**No fiscal implication to the State is anticipated.**

This bill would amend Chapter 311, Tax Code (the Tax Increment Financing Act).

Section 311.005(a) would be amended by adding a new Subdivision (5) to provide that an area may be designated as a reinvestment zone if it is substantially undeveloped and located in a municipality with a population less than 20,000 and in a county with population of more than 660,000 and less than 690,000 that borders a county with population of two million or more.

The bill would take effect immediately if it receives a vote of two-thirds of all members elected to each house of the legislature, otherwise it would take effect September 1, 2013.

**Local Government Impact**

Numerous cities in Denton County appear to meet the population parameters of the bill. The fiscal implications for units of local government of any of their possible designations of reinvestment zones cannot be determined.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** UP, KK, SD