86R11957 JES-D

By:  Cole H.B. No. 1977

A BILL TO BE ENTITLED

AN ACT

relating to a requirement that a fiscal impact statement be provided before a taxing unit may enter into a tax abatement agreement.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Subchapter A, Chapter 312, Tax Code, is amended by adding Section 312.008 to read as follows:

Sec. 312.008.  FISCAL IMPACT STATEMENT. (a) Before entering into a tax abatement agreement under this chapter, a taxing unit shall prepare a fiscal impact statement that, specifically and in detail, assesses the direct economic impact that the tax abatement agreement would have on schools, transportation, and public safety in the county or municipality in which the reinvestment zone would be located under the tax abatement agreement.

(b)  The comptroller shall adopt rules establishing the minimum requirements for a fiscal impact statement under this section. The rules must require a taxing unit to provide the statement within a reasonable amount of time before the taxing unit enters into the applicable tax abatement agreement and in a manner that allows members of the general public to review the statement.

SECTION 2.  Not later than January 1, 2020, the comptroller of public accounts shall adopt rules necessary to implement Section 312.008, Tax Code, as added by this Act.

SECTION 3.  The change in law made by this Act applies only to a tax abatement agreement entered into on or after January 1, 2020.

SECTION 4.  This Act takes effect September 1, 2019.