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By:  Murphy H.B. No. 3143

A BILL TO BE ENTITLED

AN ACT

relating to the Property Redevelopment and Tax Abatement Act.

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

SECTION 1.  Section 312.002, Tax Code, is amended by adding Subsections (c-1) and (c-2) to read as follows:

(c-1)  Before the governing body of a taxing unit may adopt, amend, repeal, or reauthorize guidelines and criteria, the body must hold a public hearing regarding the proposed adoption, amendment, repeal, or reauthorization at which members of the public are given the opportunity to be heard.

(c-2)  A taxing unit that maintains an Internet website shall post the current version of the guidelines and criteria governing tax abatement agreements adopted under this section on the website.

SECTION 2.  Section 312.005, Tax Code, is amended by adding Subsection (a-1) to read as follows:

(a-1)  For each of the first three tax years following the expiration of a tax abatement agreement executed under this chapter, the chief appraiser shall deliver to the comptroller a report containing the appraised value of the property that was the subject of the agreement.

SECTION 3.  Section 312.006, Tax Code, is amended to read as follows:

Sec. 312.006.  EXPIRATION DATE. If not continued in effect, this chapter expires September 1, 2029 [~~2019~~].

SECTION 4.  Section 312.202, Tax Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a)  To be designated as a reinvestment zone under this subchapter, an area must:

(1)  substantially arrest or impair the sound growth of the municipality creating the zone, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use because of the presence of:

(A)  a substantial number of substandard, slum, deteriorated, or deteriorating structures;

(B)  the predominance of defective or inadequate sidewalks or streets;

(C)  faulty size, adequacy, accessibility, or usefulness of lots;

(D)  unsanitary or unsafe conditions;

(E)  the deterioration of site or other improvements;

(F)  tax or special assessment delinquency exceeding the fair value of the land;

(G)  defective or unusual conditions of title;

(H)  conditions that endanger life or property by fire or other cause; or

(I)  any combination of these factors;

(2)  be predominantly open and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the municipality;

(3)  be in a federally assisted new community located in a home-rule municipality or in an area immediately adjacent to a federally assisted new community located in a home-rule municipality;

(4)  be located entirely in an area that meets the requirements for federal assistance under Section 119 of the Housing and Community Development Act of 1974 (42 U.S.C. Section 5318); or

(5)  encompass signs, billboards, or other outdoor advertising structures designated by the governing body of the municipality for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the municipality, which the legislature declares to be a public purpose[~~; or~~

[~~(6)  be reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the municipality~~].

(a-1)  In addition to complying with Subsection (a), to be designated as a reinvestment zone under this subchapter, an area must be reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property in the zone and that would contribute to the economic development of the municipality.

SECTION 5. Section 312.002(c-1), Tax Code, as added by this Act, applies only to the adoption, amendment, repeal, or reauthorization of guidelines and criteria under Section 312.002, Tax Code, on or after the effective date of this Act.

SECTION 6.  Section 312.005(a-1), Tax Code, as added by this Act, applies only to a tax abatement agreement entered into under Chapter 312 of that code that expires on or after the effective date of this Act.

SECTION 7.  Section 312.202, Tax Code, as amended by this Act, applies only to an area designated as a reinvestment zone on or after the effective date of this Act.

SECTION 8.  This Act takes effect September 1, 2019.