86R12999 SMH-F

By:  Johnson of Harris H.B. No. 3380

A BILL TO BE ENTITLED

AN ACT

relating to the inclusion of certain public safety facilities in a tax increment financing reinvestment zone and the making of improvements to public safety infrastructure in a zone.

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

SECTION 1.  Section 311.002(1), Tax Code, is amended to read as follows:

(1)  "Project costs" means the expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by the municipality or county designating a reinvestment zone that are listed in the project plan as costs of public works, public improvements, programs, or other projects benefiting the zone, plus other costs incidental to those expenditures and obligations. "Project costs" include:

(A)  capital costs, including the actual costs of the acquisition and construction of public works, public improvements, new buildings, structures, and fixtures; the actual costs of the acquisition, demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and fixtures; the actual costs of the remediation of conditions that contaminate public or private land or buildings; the actual costs of the preservation of the facade of a public or private building; the actual costs of the demolition of public or private buildings; and the actual costs of the acquisition of land and equipment and the clearing and grading of land;

(B)  financing costs, including all interest paid to holders of evidences of indebtedness or other obligations issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations before maturity;

(C)  real property assembly costs;

(D)  professional service costs, including those incurred for architectural, planning, engineering, and legal advice and services;

(E)  imputed administrative costs, including reasonable charges for the time spent by employees of the municipality or county in connection with the implementation of a project plan;

(F)  relocation costs;

(G)  organizational costs, including the costs of conducting environmental impact studies or other studies, the cost of publicizing the creation of the zone, and the cost of implementing the project plan for the zone;

(H)  interest before and during construction and for one year after completion of construction, whether or not capitalized;

(I)  the cost of operating the reinvestment zone and project facilities;

(J)  the amount of any contributions made by the municipality or county from general revenue for the implementation of the project plan;

(K)  the costs of school buildings, other educational buildings, other educational facilities, or other buildings owned by or on behalf of a school district, community college district, or other political subdivision of this state; [~~and~~]

(L)  payments made at the discretion of the governing body of the municipality or county that the governing body finds necessary or convenient to the creation of the zone or to the implementation of the project plans for the zone; and

(M)  costs associated with improvements to fire and police stations.

SECTION 2.  Section 311.006, Tax Code, is amended by adding Subsection (a-1) to read as follows:

(a-1)  A municipality may not designate an area as a reinvestment zone unless the area includes:

(1)  police stations that, in the aggregate, serve a majority of the area included in the zone; and

(2)  fire stations that, in the aggregate, serve a majority of the area included in the zone.

SECTION 3.  Section 311.011, Tax Code, is amended by adding Subsection (i) to read as follows:

(i)  The project plan must include a plan for making any necessary improvements to the public safety infrastructure in the zone.

SECTION 4.  The changes in law made by this Act apply only to a reinvestment zone designated by a municipality under Chapter 311, Tax Code, on or after the effective date of this Act.

SECTION 5.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.