

By: Cole

H.B. No. 1977

A BILL TO BE ENTITLED

1 AN ACT
2 relating to a requirement that a fiscal impact statement be
3 provided before a taxing unit may enter into a tax abatement
4 agreement.

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

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

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

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

22 SECTION 2. Not later than January 1, 2020, the comptroller
23 of public accounts shall adopt rules necessary to implement Section
24 312.008, Tax Code, as added by this Act.

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

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