

By: Johnson of Harris

H.B. No. 3380

A BILL TO BE ENTITLED

1 AN ACT

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

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

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

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

15 (A) capital costs, including the actual costs of
16 the acquisition and construction of public works, public
17 improvements, new buildings, structures, and fixtures; the actual
18 costs of the acquisition, demolition, alteration, remodeling,
19 repair, or reconstruction of existing buildings, structures, and
20 fixtures; the actual costs of the remediation of conditions that
21 contaminate public or private land or buildings; the actual costs
22 of the preservation of the facade of a public or private building;
23 the actual costs of the demolition of public or private buildings;
24 and the actual costs of the acquisition of land and equipment and

1 the clearing and grading of land;

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

7 (C) real property assembly costs;

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

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

15 (F) relocation costs;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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