

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**March 19, 2019**

**TO:** Honorable Dustin Burrows, Chair, House Committee on Ways & Means

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB3143** by Murphy (Relating to the Property Redevelopment and Tax Abatement Act.),  
**As Introduced**

<p><b>No fiscal implication to the State is anticipated.</b></p>
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The bill would amend Chapter 312 of the Tax Code, regarding the Property Redevelopment and Tax Abatement Act (Act) by amending Sections 312.002, 312.005, 312.006, and 312.202.

SECTION 1 of the bill would amend Section 312.002 to require a public hearing at which the public is given the opportunity to be heard before a taxing unit may adopt, amend, repeal, or reauthorize guidelines and criteria for tax abatement agreements.

SECTION 2 of the bill would amend Section 312.005 to require the chief appraiser to deliver to the Comptroller a report for three consecutive years after a abatement agreement expires containing the appraised value of the property that was subject to the agreement.

SECTION 3 of the bill would extend the date of expiration of Chapter 312 to 2029.

SECTION 4 of the bill would amend Section 312.202 to state that, in addition to current requirements, to receive designation as a reinvestment zone, an area must be reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or attract major investment in the zone that would benefit the property in the zone and that would contribute to the economic development of the city.

The bill would have no state revenue implications.

The bill would affect any local governmental entity that has or uses reinvestment zones and abatements.

The bill would take effect September 1, 2019.

**Local Government Impact**

The fiscal implications of the bill cannot be determined at this time.

**Source Agencies:** 304 Comptroller of Public Accounts  
**LBB Staff:** WP, KK, SD, SJS