

**House Bill 3143**  
Senate Amendments  
Section-by-Section Analysis

HOUSE VERSION

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 312.205(a), Tax Code, is amended to read as follows:

(a) An agreement made under Section 312.204 or 312.211 must:

- (1) list the kind, number, and location of all proposed improvements of the property;
- (2) provide access to and authorize inspection of the property by municipal employees to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement;

SENATE VERSION (IE)

SECTION 1. Same as House version.

SECTION 2. Same as House version.

No equivalent provision.

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- (3) limit the uses of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect;
- (4) provide for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided by the agreement;
- (5) contain each term agreed to by the owner of the property;
- (6) require the owner of the property to certify annually to the governing body of each taxing unit that the owner is in compliance with each applicable term of the agreement; ~~and~~
- (7) provide that the governing body of the municipality may cancel or modify the agreement if the property owner fails to comply with the agreement; and
- (8) if the agreement provides for the creation of at least 25 new jobs within the boundaries of the municipality, contain a fiscal impact statement describing the potential costs and benefits of the agreement to the municipality.

No equivalent provision.

SECTION 4. Section 312.207, Tax Code, is amended by adding Subsections (c) and (d) to read as follows:

(c) In addition to any other requirement of law, the public notice of a meeting at which the governing body of a

SENATE VERSION (IE)

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 312.207, Tax Code, is amended by adding Subsections (c) and (d) to read as follows:

(c) In addition to any other requirement of law, the public notice of a meeting at which the governing body of a

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municipality will consider the approval of a tax abatement agreement with a property owner must contain:

- (1) the name of the property owner;
- (2) the name and location of the reinvestment zone in which the property subject to the agreement is located;
- (3) a general description of the nature of the improvements or repairs included in the agreement; and
- (4) the estimated cost of the improvements or repairs.
- (d) The notice of a meeting required by this section must be given in the manner required by Chapter 551, Government Code, except that the notice must be provided at least 30 days before the scheduled time of the meeting.

SECTION 5. Subchapter C, Chapter 312, Tax Code, is amended by adding Section 312.404 to read as follows:  
Sec. 312.404. APPROVAL BY COMMISSIONERS COURT. To be effective, an agreement made under this subchapter must be approved by the commissioners court in the manner that the governing body of a municipality authorizes an agreement under Section 312.207.

SECTION 6. 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.

SENATE VERSION (IE)

municipality or other taxing unit will consider the approval of a tax abatement agreement with a property owner must contain:

- (1) the name of the property owner and the name of the applicant for the tax abatement agreement; [FA1]
- (2) the name and location of the reinvestment zone in which the property subject to the agreement is located;
- (3) a general description of the nature of the improvements or repairs included in the agreement; and
- (4) the estimated cost of the improvements or repairs.
- (d) The notice of a meeting required by this section must be given in the manner required by Chapter 551, Government Code, except that the notice must be provided at least 30 days before the scheduled time of the meeting.

SECTION 5. Subchapter C, Chapter 312, Tax Code, is amended by adding Section 312.404 to read as follows:  
Sec. 312.404. APPROVAL BY GOVERNING BODY. To be effective, an agreement made under this subchapter must be approved by the governing body of the county or other taxing unit in the manner that the governing body of a municipality authorizes an agreement under Section 312.207.

SECTION 6. Same as House version.

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SECTION 7. 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 8. Section 312.205(a), Tax Code, as amended by this Act, and Sections 312.207(c) and (d) and 312.404, Tax Code, as added by this Act, apply only to a tax abatement agreement entered into on or after the effective date of this Act.

SECTION 9. This Act takes effect September 1, 2019.

SENATE VERSION (IE)

SECTION 7. Same as House version.

SECTION 8. Sections 312.207(c) and (d) and 312.404, Tax Code, as added by this Act, apply only to a tax abatement agreement entered into on or after the effective date of this Act.

SECTION 9. Same as House version.

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