

BILL ANALYSIS

H.B. 2027
By: Vasut
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

According to the comptroller of public accounts, tax abatement agreements are an economic development tool that can assist certain local governments in stimulating economic growth by attracting new businesses and encouraging the retention and expansion of existing businesses. H.B. 2027 seeks to achieve these goals in Brazoria County by authorizing the Brazoria County Commissioners Court to execute tax abatement agreements with certain property owners in the Port Freeport district.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2027 amends the Special District Local Laws Code to authorize the Brazoria County Commissioners Court to execute a tax abatement agreement with the owner of a leasehold interest in tax-exempt real property or property owned by the Port Freeport district located in an applicable reinvestment zone to exempt all or a portion of the value of the leasehold interest in the real property. The bill also authorizes the commissioners court to execute a tax abatement agreement with the owners of tangible personal property or an improvement located on tax-exempt real property or property owned by the district that is located in an applicable reinvestment zone to exempt all or a portion of the value of the tangible personal property or improvement located on the real property. The bill establishes that the other terms of an agreement entered into under the bill's provisions are governed by the Property Redevelopment and Tax Abatement Act.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.