

SUBJECT: Allowing legislators to opt out of serving on a reinvestment zone's board

COMMITTEE: General Investigating and Ethics — favorable, without amendment

VOTE: 6 ayes — S. Davis, Capriglione, Nevárez, Price, Shine, Turner
0 nays
1 absent — Moody

SENATE VOTE: On final passage, April 19 — 31-0

WITNESSES: No public hearing

BACKGROUND: Tax Code, sec. 311.003 allows the governing body of a county or municipality to designate a certain geographic area in the county or municipality as a reinvestment zone to promote development or redevelopment of the area if it would not occur solely through private investment.

Sec. 311.005(a)(4) allows for an area to be designated as a reinvestment zone if requested in a petition that was submitted by the owners of property constituting at least 50 percent of the appraised value of the property in that area.

Secs. 311.009(b) and 311.0091(c) require that the board of directors of a reinvestment zone designated under sec. 311.005(a)(4) include the state House and Senate members in whose districts the zone is located. A member could designate another person to serve in his or her place.

Some observers have contended that elected officials may have personal or professional reasons for declining membership on a reinvestment zone board and should have the option of whether or not to serve.

DIGEST: SB 1465 would require a board of directors of a reinvestment zone to send a certified letter to a member of the Legislature notifying the member that

the member was an ex officio member of the board under Tax Code, sec. 311.009(b) or 311.0091(c). This notice would have to be mailed within 90 days of the member being elected to the state Senate or House of Representatives.

A state senator or state representative could elect not to serve on the board or not to designate another individual to serve in the senator's or representative's place. If a senator or representative made this choice, the senator or representative would be required to send a certified letter as soon as practicable and could not be counted as a member of the board for voting or quorum purposes.

The bill would take effect September 1, 2017.