# **BILL ANALYSIS**

Senate Research Center 76R10132 E

H.B. 313 By: Giddings (West) Intergovernmental Relations 5/3/1999 Engrossed

## **DIGEST**

Currently, there is no law authorizing a municipality to establish neighborhood empowerment zones. It is reported that the establishment of such zones might be a useful means of revitalizing distressed neighborhoods. This bill would authorize municipalities to establish neighborhood empowerment zones.

# **PURPOSE**

As proposed, H.B. 313 authorizes municipalities to establish neighborhood empowerment zones.

# **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

#### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 12A, Local Government Code, by adding Chapter 378, as follows:

## CHAPTER 378, NEIGHBORHOOD EMPOWERMENT ZONE

Sec. 378.001. DEFINITION. Defines "zone."

Sec. 378.002. CREATION OF ZONE. Authorizes a municipality to create a neighborhood empowerment zone (zone) if the municipality determines the creation of the zone would promote the creation or rehabilitation of affordable housing, an increase in economic development, or an increase in the quality of social services, education, or public safety, provided to the residents of the zone.

Sec. 378.003. ADOPTION OF ZONE. Authorizes a municipality to create a zone if the governing body of the municipality adopts a resolution that contains certain information. Authorizes a municipality to create more than one zone and to include an area in more than one zone.

Sec. 378.004. MUNICIPAL POWERS. Authorizes a municipality to: waive or adopt fees related to the construction of buildings in the zone; enter into agreements relating to tax refunds and abatements; enter into agreements abating municipal property taxes on property in the zone subject to the duration limits of Section 312.204, Tax Code; and set baseline performance standards to encourage the use of alternative building materials.

SECTION 2. Emergency clause.

Effective date: upon passage.