BILL ANALYSIS

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1633 is a local bracketed bill for the City of Conroe. Currently, the City of Conroe is allowed to create a tax increment financing reinvestment zone if the total appraised value of taxable real property in the proposed zone and in existing reinvestment zones does not exceed 15 percent of the total appraised value of taxable real property in the municipality and in the industrial districts created by the municipality. An increase is needed since it would help promote development in the county seat of one of the fastest growing counties in the state.

S.B. 1633 authorizes a certain municipality to create a reinvestment zone to promote development or redevelopment of the area, if the total appraised value of taxable real property in the proposed zone and in the existing reinvestment zones does not exceed 20 percent of the total appraised value of taxable real property in the municipality and in the industrial districts created by the municipality.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 311.006(a), Tax Code, to prohibit a municipality from creating a reinvestment zone if the total appraised value of taxable real property in the proposed zone and in existing reinvestment zones exceeds:

> (A) 20 percent of the total appraised value of taxable real property in the municipality and in the industrial districts created by the municipality, if the municipality is the county seat of a county that meets certain requirements; or

> (B) 15 percent of the total appraised value of taxable real property in the municipality and in the industrial districts created by the municipality, if Paragraph (A) does not apply to the municipality.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2009.