

BILL ANALYSIS

Senate Research Center
77R13905 ATP-D

H.B. 2870
By: Ramsay (Staples)
Intergovernmental Relations
5/8/2001
Committee Report (Amended)

DIGEST AND PURPOSE

Currently, a municipality may offer tax abatements to certain businesses to promote economic development. H.B. 2870 explicitly authorizes a county to make loans and grants of public money and provide county services and personnel to negotiate tax abatement agreements.

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 381.004, Local Government Code, by adding Subsections (f) and (g), as follows:

(f) Authorizes a commissioners court to develop and administer a program authorized by Subsection (b) for making loans and grants of public money and providing personnel and services of the county.

(g) Authorizes the commissioners court to develop and administer a program authorized by Subsection (b) for entering into a tax abatement agreement with an owner or lessee of a property interest subject to ad valorem taxation. Provides that the execution, duration, and other terms of the agreement are governed, to the extent practicable, by the provisions of Sections 312.204, 312.205, and 312.211, Tax Code, as if the commissioners court were the governing body a municipality.

SECTION 2. Provides that an act or proceeding of the commissioners court of a county that relates to a program described by Section 381.004(f) or (g), Local Government Code, as added by this Act, and that occurs before the effective date of this Act is validated as of the date the act or proceeding occurred.

SECTION 3. Effective date: upon passage or September 1, 2001.