

CHAPTER 423

S.B. No. 61

AN ACT

relating to the notice that a city, town, or county must give to the public and affected taxing units in order to create a reinvestment zone for property tax abatement or to enter into a property tax abatement agreement.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Section 2, Property Redevelopment and Tax Abatement Act, as amended (Article 1066f, Vernon's Texas Civil Statutes), is amended by adding Subsection (f) to read as follows:

*(f) Not later than the seventh day before the date on which the city or town enters into an agreement under this section, the governing body of the city or town or a designated officer or employee of the city or town shall deliver to the presiding officer of the governing body of each other taxing unit in which the property to be subject to the agreement is located a written notice that the city or town intends to enter into the agreement. The notice must include a copy of the proposed agreement. A notice is presumed delivered when placed in the mail postage paid and properly addressed to the appropriate presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee. An agreement made under this section is not valid unless, for each taxing unit in which the property subject to the agreement is located:*

*(1) the notice is delivered to the presiding officer of the governing body as required by this subsection; or*

*(2) the governing body by official action waives its right to receive the notice required by this subsection.*

SECTION 2. Subsection (b), Section 5, Property Redevelopment and Tax Abatement Act, as amended (Article 1066f, Vernon's Texas Civil Statutes), is amended to read as follows:

(b) An ordinance designating an area as a reinvestment zone may not be adopted until the governing body of the city or town has held a public hearing on the designation, *after having given notice of the hearing at the time and in the manner required by this subsection*, and has found that the improvements sought are feasible and practical and would be a benefit to the land to be included in the zone and to the municipality after an agreement entered into in accordance with Section 2 of this Act has expired. At the hearing, interested persons are entitled to speak and present evidence for or against the designation. *Not later than the seventh day before the date of a hearing held under this subsection, notice [Notice] of the hearing must be:*

(1) published in a newspaper having general circulation in the city or town; and

(2) *delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone. A notice is presumed delivered when placed in the mail postage paid and properly addressed to the appropriate presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee [not later than seven days before the date of the hearing].*

SECTION 3. Subsection (e), Section 7A, Property Redevelopment and Tax Abatement Act, as amended (Article 1066f, Vernon's Texas Civil Statutes), is amended to read as follows:

(e) The commissioners court may execute a tax abatement agreement with the owner of taxable real property located in a reinvestment zone designated under this section. The execution, duration, and other terms of an agreement made under this subsection are governed by the provisions of Section 2 of this Act applicable to a city or town. *Subsection (f) of Section 2 of this Act applies to an agreement made by a county under this section in the same manner as it applies to an agreement made by a city or town under Section 2 of this Act.* A tax abatement agreement made by a county under this section has the same effect on the other taxing units in which the property subject to the agreement is located as is provided by Subsection (d) of Section 2 of this Act for an agreement made by a city or town under Section 2 of this Act to abate taxes on property located in the taxing jurisdiction of the city or town. If property subject to an agreement with a county under this section is annexed by an incorporated city or town during the existence of the agreement, the governing body of the city or town must enter into an agreement in the same manner as any other taxing unit until the termination of the county agreement, or the city or town is limited to taxing the property subject to the agreement at the taxable value of the property in the year preceding the execution of the county agreement until the termination of the county agreement plus a period of additional years immediately following the termination of the county agreement equal to the number of years in which the county agreement was in effect.

SECTION 4. This Act takes effect September 1, 1987.

SECTION 5. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed the Senate on April 15, 1987, by the following vote: Yeas 31, Nays 0. Passed the House on May 22, 1987, by a non-record vote.

Approved June 17, 1987.

Effective Sept. 1, 1987.