

By: Keffer

H.B. No. 4025

A BILL TO BE ENTITLED

AN ACT

relating to county energy transportation reinvestment zones.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 222.1071(b), (f), (i), and (m),  
Transportation Code, are amended to read as follows:

(b) A county, after determining that an area is affected  
because of oil and gas exploration and production activities and  
would benefit from funding under Chapter 256, by order or  
resolution of the commissioners court:

(1) may designate a contiguous geographic area in the  
jurisdiction of the county to be a county energy transportation  
reinvestment zone to promote one or more transportation  
infrastructure projects, as that term is defined by Section  
256.101, located in the county [~~zone~~]; and

(2) may jointly administer a county energy  
transportation reinvestment zone with a contiguous county energy  
transportation reinvestment zone formed by another county.

(f) The order or resolution designating an area as a county  
energy transportation reinvestment zone must:

(1) describe the boundaries of the zone with  
sufficient definiteness to identify with ordinary and reasonable  
certainty the territory included in the zone;

(2) provide that the zone takes effect immediately on  
adoption of the order or resolution designating an area and that the

1 base year shall be the year of passage of the order or resolution  
2 designating an area or some year in the future;

3 (3) establish an ad valorem tax increment account for  
4 the zone or provide for the establishment of a joint ad valorem tax  
5 increment account, if applicable; and

6 (4) if two or more counties are designating a zone for  
7 the same transportation infrastructure project or projects,  
8 include a finding that:

9 (A) the project or projects will benefit the  
10 property and residents located in the counties [~~zone~~];

11 (B) the creation of the zone will serve a public  
12 purpose of the county; and

13 (C) details the transportation infrastructure  
14 projects for which each county is responsible.

15 (i) The county may:

16 (1) use money in the tax increment account to provide:

17 (A) matching funds under Section 256.105; and

18 (B) funding for one or more transportation  
19 infrastructure projects located in the county [~~zone~~];

20 (2) apply for grants under Subchapter C, Chapter 256 [~~7~~  
21 ~~subject to Section 222.1072~~];

22 (3) use five percent of any grant distributed to the  
23 county under Subchapter C, Chapter 256, for the administration of a  
24 county energy transportation reinvestment zone, not to exceed  
25 \$250,000;

26 (4) enter into an agreement to provide for the joint  
27 administration of county energy transportation reinvestment zones

1 if the commissioners court of the county has designated a county  
2 energy transportation reinvestment zone under this section for the  
3 same transportation infrastructure project or projects as another  
4 county commissioners court; and

5 (5) pledge money in the tax increment account to a road  
6 utility district formed as provided by Subsection (n).

7 (m) The commissioners court of a county may enter into an  
8 agreement with the department to designate a county energy  
9 transportation reinvestment zone under this section for a specified  
10 transportation infrastructure project involving a state highway  
11 located in the county [~~proposed zone~~].

12 SECTION 2. Section [222.1072\(a\)](#), Transportation Code, is  
13 amended to read as follows:

14 (a) A county may create [~~is eligible to apply for a grant~~  
15 ~~under Subchapter C, Chapter 256, if the county creates~~] an advisory  
16 board to advise the county on the establishment, administration,  
17 and expenditures of a county energy transportation reinvestment  
18 zone. The county commissioners court shall determine the terms and  
19 duties of the advisory board members.

20 SECTION 3. This Act takes effect September 1, 2015.