

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 187
Version: As introduced

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Authors: Abrams and others

Subject: TIF - Time Limits for Pre-1990 Districts

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Overview

This bill prohibits TIF plan amendments for pre-1990 TIF districts after April 30, 2001 and requires these districts to complete their spending plans or enter binding contracts for completion of their activities by April 30, 2002.

Section

- 1 **Pre-1990 districts.** Prohibits modifications of TIF plans for pre-1990 TIF districts after April 30, 2001 and imposes a time limit on spending increments from these districts paralleling the 5-year rule for post-1990 districts. This time limit is set as April 30, 2002. One of the following must be completed by April 30, 2002 to permit increments to be spent after that date:

Bonds are issued and the proceeds of the bonds have been spent or deposited in a reserve or replacement fund.

Binding contracts are entered into with a third party to pay for the costs.

The costs are paid (e.g., by the authority or the city) and the increments are used to repay the city or authority.

After April 30, 2002, increments may only be used to pay these obligations. When they are paid, the district must be decertified.

Effective date. Effective the day following final enactment for pre-1990 districts.