

BILL ANALYSIS

S.B. 1903
By: Fraser
Local Government Ways and Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, a municipality is authorized to call an election to create a municipal development district (district) and levy a sales tax to provide for the development of public projects in the district, if the city is located in more than one county. S.B. 1903 expands the authorization to create a district to any municipality or the municipality's extraterritorial jurisdiction with a combined sales tax rate below the 8.25 percent tax cap.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Sections 377.001(3), Local Government Code, to redefine "development project."

SECTION 2. Amends Subchapter A, Chapter 377, Local Government Code, by adding Section 377.003, as follows:

Sec. 377.003. CONSTITUTIONAL PURPOSE. Provides that this chapter creates a program under Section 52-a, Article III, Texas Constitution.

SECTION 3. Amends Section 377.021(b), Local Government Code, to require the order calling the election to include certain information.

SECTION 4. Amends Section 377.022(a), Local Government Code, to provide that a district is a political subdivision of this state and of the municipality that called the election creating the district.

SECTION 5. Amends Sections 377.051(b) and (d), Local Government Code, as follows:

- (b) Provides that the board is appointed by the governing body of the municipality that called the election creating the district.
- (d) Requires a person, to qualify to serve as a director, to be a resident of the municipality that called the election creating the district or the municipality's extraterritorial jurisdiction.

SECTION 6. Amends Section 377.053, Local Government Code, to make conforming changes.

SECTION 7. Repealer: Section 377.002 (Applicability), Local Government Code.

SECTION 8. Effective date: September 1, 2003.

EFFECTIVE DATE

September 1, 200