

BILL ANALYSIS

Senate Research Center
79R17570 E

C.S.H.B. 167
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Intergovernmental Relations
5/16/2005
Committee Report (Substituted)

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

First created by an Act of the 75th Legislature, Regular Session, 1995, municipal development districts (MDDs) were created to help fund, develop, construct, and operate major development projects within the boundaries of these districts. MDDs are unique in that their boundaries lie in more than two counties.

C.S.H.B. 167 allow MDDs in counties with populations of 3.3 million or more to use money toward development projects within the district boundaries or the extraterritorial jurisdiction of the municipalities in which the MDD is located if the project is beneficial to the MDD.

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 377.001(3), Local Government Code, to redefine "development project."

SECTION 2. Amends Section 377.002, Local Government Code, as follows:

Sec. 377.002. New heading: SCOPE. (a) Authorizes a municipality to create a municipal development district (district) as provided in this chapter in certain areas.

(b) Authorizes a municipality to include territory outside of the municipality only to the extent that territory is in the municipality's extraterritorial jurisdiction.

SECTION 3. 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 4. Amends Sections 377.021(b), (e), and (g), Local Government Code, as follows:

(b) Deletes existing text requiring an order calling an election to include all or part of the boundaries of the municipality.

(e) Makes nonsubstantive changes.

(g) Authorizes the municipality, in the order calling the election, to provide for the district boundaries to conform automatically to any changes in the boundaries of the portion of the municipality or the municipality's extraterritorial jurisdiction included in the district, and requires the election to be held on one of four uniform election dates under Section 41.001 (Uniform Election Dates), Election Code.

SECTION 5. Amends Section 377.022(a), Local Government Code, to provide that a district a political subdivision of this state and of the municipality that created the district, rather than in which the district is located.

SECTION 6. Amends Section 377.051(b) and (d), Local Government Code, as follows:

(b) Makes conforming changes.

(d) Requires a person, to qualify to serve as a director, to reside in the municipality that created the district or in that municipality's extraterritorial jurisdiction, rather than be a resident of the municipality in which the district is located.

SECTION 7. Amends Section 377.053, Local Government Code, to make conforming changes.

SECTION 8. Amends Section 377.072, Local Government Code, by amending Subsection (c) and adding Subsection (d), as follows:

(c) Creates an exception, as provided by Subsection (d), to the authorized uses of the development project fund.

(d) Authorizes a municipal development district in a county with a population of 3.3 million or more to use money in the development project fund only to pay certain specified costs.

SECTION 9. Effective date: upon passage or September 1, 2005.