

BILL ANALYSIS

C.S.H.B. 1937
By: Ritter
Economic Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

In 1999, the 76th Legislature enacted legislation to allow counties with a population of less than 45,000 to call an election to create a county assistance district. The county assistance districts may impose a sales and use tax for: the construction, maintenance, or improvement of roads or highways; to assist in law enforcement and detention services; for maintenance or improvement of libraries, museums, parks, or other recreational facilities; and to assist in providing for the public health and welfare.

CSHB 1937 expands the eligibility criteria so that additional counties qualify to elect to create a county assistance district.

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 Section 387.002, Local Government Code, to add qualifying criteria that allows counties to be eligible for creation of a county assistance district if they do not contain a municipality that has called an election for the creation of a county assistance district, that has created a Section 4A or 4B development corporation under the Development Corporation Act of 1979, or that has imposed a sales and use tax that when combined with any other sales and use tax in the municipality exceeds two percent.

SECTION 2: Amends Section 387.003 (a) Local Government Code by adding "promotion of economic development and tourism" to be in compliance with existing law.

SECTION 3. Provides the effective date of this Act.

EFFECTIVE DATE

This Act takes effect immediately if it receives the necessary votes. If it does not receive the necessary votes, it takes effect September 1, 2005.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute bill adds a new SECTION 2 the adds language ("promotion of economic development and tourism") to make the bill in compliance with existing law.