

BILL ANALYSIS

S.B. 1167
By: Hegar
County Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Over the last few years, many counties have explored the use of County Assistance Districts (CADs)—an economic development tool that had been written into Chapter 387 (County Assistance District) of the Local Government Code in 1999. Generally, Chapter 387 authorized the creation of a CAD, with the power to levy a voter-approved sales and use tax to provide public infrastructure and services to the areas within the district.

In 2011, the 82nd Legislature passed S.B. 520, regarding the creation, administration, powers, and duties for CADs to clarify the creation and powers of CADs. Contemporaneous to the passage of S.B. 520, the 82nd Legislature considered S.B. 1233, relating to the promotion of efficiencies in and the administration of certain district court and county services and functions. As filed and as passed through the Senate, S.B. 1233 did not contain any revisions relating to CADs. However, the House committee report for S.B. 1233 added the entirety of S.B. 520, except that the language amending Section 387.003(a), Local Government Code, differed.

Because both S.B. 520 and S.B. 1223 were passed during the same legislative session, the bills created ambiguity as to which provision governed. Because S.B. 1233 was passed in the second chamber one week later than S.B. 520, it is likely that the language of S.B. 1233 would be interpreted to govern Section 387.003(a), Local Government Code.

The limitation of one CAD per precinct may have been a result of a copying error, as this provision was not contested in the passage of S.B. 520. Striking the additional language gives effect to the intent of the proposed revisions to Chapter 387.003(a), Local Government Code, and gives counties the flexibility to effectively use these CADs to promote needed infrastructure and economic development in their respective jurisdictions.

As proposed, S.B. 1167 amends current law relating to the creation of a county assistance district.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

ANALYSIS

SECTION 1. Amends Section 387.003(a), Local Government Code, as follows:

- (a) Authorizes more than one county assistance district to be created in a county. Deletes existing text prohibiting more than one county assistance district from being created in a commissioners precinct.

EFFECTIVE DATE

Effective date: upon passage or September 1, 2013.