

BILL ANALYSIS

H.B. 4748
By: Dutton
County Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It is noted that “Municipal Management Districts” or (“Management Districts”) have been used in the Greater Houston area since the early 1980’s to allow commercial property owners to work together to supplement City and County services and improvements. Management Districts may promote neighborhood revitalization, which can include landscaping and beautification of esplanades as well as construction of sidewalks and installation of additional lighting and other pedestrian improvements.

Generally, Management Districts finance these services and improvements through the levy of assessments on commercial property, or in some instances, ad valorem taxes, subject to following appropriate procedures. Management Districts may also levy sales and use taxes, or even hotel occupancy taxes, which require authorization under a special law.

H.B. 4748 seeks to allow the Near Northside Management District, located in Kashmere Gardens, near Houston, Texas, the ability to adopt a sales and use tax if authorized by a majority of their voters in that district voting at an election held for that sole purpose.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

H.B. 4748 amends the Special District Local Laws Code to allow the Near Northside Management District the ability to adopt a sales and use tax if authorized by a majority of their voters voting at an election held for that sole purpose.

The bill further provides for how the election is to be conducted. It provides that the initial tax rate must be in one or more increments of one-eighths of one percent. The bill outlines provisions for the increase or decrease of the tax rate, and sets the maximum tax rate. It allows for the board of the management district to abolish the tax without an election.

EFFECTIVE DATE

September 1, 2019.