# **BILL ANALYSIS**

C.S.H.B. 4653 By: Sherman, Sr. Urban Affairs Committee Report (Substituted)

## BACKGROUND AND PURPOSE

It has been suggested that an area located within the City of Lancaster would benefit from the creation of a special district to help encourage economic development. C.S.H.B. 4653 seeks to provide for the creation of such a district.

### **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

C.S.H.B. 4653 amends the Special District Local Laws Code to create the Lancaster Logistics District to provide certain improvements, projects, and services for public use and benefit. The bill provides for the following, among other provisions:

- the applicability of municipal management districts law to the district;
- conservation and reclamation district powers;
- road district powers;
- public improvement district powers;
- contract powers;
- municipal development district powers;
- an improvement project or service in a definable area; and
- the district's dissolution.

The district's powers and duties include, subject to certain requirements, the authority to issue obligations, impose assessments and impact fees, and impose property, operation and maintenance, contract, and sales and use taxes. The bill authorizes the district to establish, revise, repeal, enforce, and collect certain rates, fees, and charges and to establish certain public service user charges. The bill prohibits the district from doing the following:

- issuing a bond until the City of Lancaster by ordinance or resolution has consented to the bond's issuance; or
- exercising the power of eminent domain.

# EFFECTIVE DATE

September 1, 2021.

## COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 4653 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute does not include provisions included in the original making a retailer that has registered with the district for eligible incentive programs eligible to receive a grant under the Texas Enterprise Fund program for an applicable purpose and limiting the effect on such a retailer of a rule requiring the retailer to pay a certain wage as a condition of eligibility for that grant.

The substitute does not include provisions included in the original that provide for a district hotel occupancy tax.