

SUBJECT: Payments of costs for creating county development districts

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 10 ayes — Craddick, Ramsay, Heflin, Holzheuser, Horn, Oliveira, Stiles, Telford, Thompson, Williamson

0 nays

1 absent — Grusendorf

SENATE VOTE: On final passage, Local and Consent Calendar, May 5 — 31-0

WITNESSES: No public hearing.

BACKGROUND : The 74th Legislature authorized creation of county development districts to provide incentives for the location, construction, and development of business and entertainment projects in rural counties. Landowners may petition the county commissioners court to create a district. The court must hold a hearing and an election before issuing an order to create the district.

DIGEST: SB 1425 would allow rather than require county commissioners court to create a county development district following a petition and hearing process. In the order creating the district, the commissioners court could specify the county's cost for publishing notice and conducting hearings and confirmation and sales and use tax elections. The county could require the petitioners to pay the amounts specified by the time the creation order became final.

SB 1425 would also mandate that if 10 or fewer votes were cast in the confirmation and sales and use tax election, the county would have 90 days to submit the election proceedings, including voter affidavits citing residency and voter qualifications, to the Attorney General's Office.

SB 1425 would take immediate effect if finally approved by a two-thirds record vote of the membership of each house.

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NOTES:

A related bill, SB 1451 by Nelson, allowing changes to the property included within a county development district, also has been set for second reading on today's calendar.