

BILL ANALYSIS

Senate Research Center

C.S.H.B. 2335
By: Smith (Harris)
Intergovernmental Relations
5-12-97
Committee Report (Substituted)

DIGEST

Currently, the Crime Control and Prevention District Act empowers certain counties and municipalities within the state to raise revenue via a local sales tax which can be used to fund crime prevention measures. According to the law, any municipality or county which has created a crime control and prevention district is required to hold a public referendum every five years in order to continue the crime prevention programs; the current statute does not give local governments discretion to change the time requirement of the five-year sunset provision. This bill authorizes certain governing entities to determine the number of years for which a crime control and prevention district should be continued.

PURPOSE

As proposed, C.S.H.B. 2335 authorizes certain governing entities to determine the number of years for which a crime control and prevention district should be continued.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1.05A, Article 2370c-4, V.T.C.S., to authorize a municipality that is partially or wholly located in a county with a population of more than 5,000, rather than 1 million, to create a crime control district (district) in its jurisdiction in the same manner as a county under this Act. Makes a nonsubstantive changes.

SECTION 2. Amends Section 3.03(b), Article 2370c-4, V.T.C.S., to provide that the proposed rate for the district sales and use tax imposed under Chapter 323B, Tax Code, may be only certain percentages, among which include one-eighth of one percent or three-eighths of one-percent.

SECTION 3. Amends Section 4.01, Article 2370c-4, V.T.C.S., to authorize the governing body of a municipality or county (governing body), by resolution, to appoint the governing body's membership as the board of directors of the district, if the appointment is approved by the voters in a creation election or continuation referendum under this Act. Provides that a member of a governing body appointed under this section as a member of the district's board of directors serves a term concurrent with the member's term as a member of the governing body. Authorizes the governing body to create a board of directors for which one director is appointed by each member of the governing body to serve at the pleasure of that member for a term that is concurrent with the term of the member of the governing body that appointed the director, in a district for which the governing body of the municipality or county does not serve as the district's board of directors.

SECTION 4. Amends Section 8.01, Article 2370c-4, V.T.C.S., by amending Subsections (b) and (c) and adding Subsection (d), to prohibit the board of directors of the district (board) from holding a continuation referendum under Subsection (b) at a certain time. Authorizes the board to hold a referendum on the question of whether to continue the district until all liabilities of the district and all liabilities associated with the district have been retired. Requires the board to order a continuation referendum on the question if a petition that requests continuation of the district for those purposes is presented in accordance with this article or if a majority of the commissioners court of the county

in which the district is located by resolution requests continuation of the district for those purposes after notice and a public hearing on the matter. Prohibits the board from holding a continuation referendum under Subsection (d) earlier than one year after the date of the creation of the district. Sets forth requirements for the manner in which the ballot is to be printed for a continuation referendum under Subsection (b) of this section. Requires the ballot to be printed with certain language to permit voting for or against the proposition, for a continuation referendum under Subsection (c) of this section.

SECTION 5. Amends Section 10.01, Article 2370c-4, V.T.C.S., by amending Subsection (a) and adding Subsection (c), to provide that a district is dissolved five years after the date the district began to levy taxes for district purposes, if the district has not held a continuation or dissolution referendum. Provides that Subsection (b) of this section does not apply to a district continued by a referendum held under Section 8.01(c) of this Act. Provides that a district continued under Section 8.01(c) of this Act is dissolved on the date all liabilities of the district and all liabilities associated with the district are retired.

SECTION 6. Emergency clause.
Effective date: upon passage.

SUMMARY OF COMMITTEE CHANGES

Deletes proposed H.B. 2335. Sets forth new text for C.S.H.B. 2335.