

## **BILL ANALYSIS**

Senate Research Center

H.B. 3567  
By: Uher (Sibley)  
Economic Development  
5/14/1999  
Engrossed

### **DIGEST**

Currently, the County Development District Act furthers the public purpose of developing and diversifying the economy of this state by providing incentives for the location and development of projects in certain counties to attract visitors and tourists. H.B. 3567 adds "public improvement" and the attraction of residents as public purposes under the Act. This bill also increases from 400,000 to 600,000 the population minimum for counties which create county development districts.

### **PURPOSE**

As proposed, H.B. 3567 sets forth provisions relating to county development districts and makes changes to existing population requirements.

### **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 383.003(a), Local Government Code, to provide that certain counties need programs and the authority to spend money, rather than incentives.

SECTION 2. Amends Section 383.004, Local Government Code, by adding Subdivision (9), to define "visitor."

SECTION 3. Amends Section 383.021(a), Local Government Code, to increase a county population specification from 400,000, to 600,000.

SECTION 4. Amends Section 383.022, Local Government Code, to require a petition to be accompanied by a copy of an ordinance or resolution supporting the creation of a certain district.

SECTION 5. Amends Section 383.027, Local Government Code, by amending Subsection (a) and adding Subsection (c) and (d), to require a certain appeal to be filed in a district court of the county in which the district is created by the 30th day after the date of the order. Sets forth provisions for the case of the appeal not being filed within a certain deadline. Authorizes the district to exercise certain powers. Authorizes the inclusion of the property in more than one county development district by a certain entity. Deletes text regarding visitor attraction and makes a conforming change.

SECTION 6. Amends Section 383.061, Local Government Code, by adding Subsections (d) and (e), to authorize a district to contract with any other political subdivision, for certain purposes. Sets forth taxation provisions for a district created after June 1, 1999.

SECTION 7. Amends Section 383.081, Local Government Code, to require submission of district bonds to the attorney general for approval. Provides that bonds issued after June 1, 1999 do not require certain approval. Sets forth provisions for the repayment of bonds created after June 1, 1999. Deletes text referencing Sections 375.201 through 375.208, Local Government Code, and makes a nonsubstantive change.

SECTION 8. Amends Chapter 383F, Local Government Code, by adding Section 383.107, as follows:

Sec. 383.107. CONTRACTS AND PROGRAMS FOR USE OF TAXES AND REVENUE.

Authorizes a certain district to establish a program and enter into an economic development agreement under which certain taxes and revenue may be spent to stimulate certain economic activity in a certain district.

SECTION 9. Amends Section 352.107, Tax Code, to set forth provisions for the use of taxes to attract visitors and tourists to the county. Authorizes the collection of a hotel occupancy tax, under certain conditions. Deletes text regarding sales and use tax proceeds. Makes conforming and nonsubstantive changes.

SECTION 10. Emergency clause.  
Effective date: upon passage.