

BILL ANALYSIS

Senate Research Center
81R11086 GCB-D

H.B. 4376
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Economic Development
5/7/2009
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Baytown Municipal Development District (district) was created to foster and promote an environment for new and expanded business development. The use of funds is governed by economic development "4B" sales tax rules. The challenge under the newly changed rules is that the most blighted and economically disadvantaged areas lack the ability to provide meaningful incentives to attract commercial enterprises, including neighborhood retail and restaurants, and an expanded employment base. The district should have the ability to expend funds to attract a wide range of businesses, improve quality of life, retain the primary jobs already created, and attract new ones. This development district would greatly enhance Baytown's ability to strengthen the tax base, revitalizes the most challenged neighborhoods, and improves the quality of life for all segments of the population.

H.B. 4376 amends current law relating to the authority of the district to use sales tax revenue to promote new or expanded business development.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle C, Title 4, Special District Local Laws Code, by adding Chapter 3888, as follows:

CHAPTER 3888. SALES TAX REVENUE AUTHORITY FOR BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT

Sec. 3888.101. DEFINITION. Defines "district."

Sec. 3888.102. SALES TAX REVENUE. Authorizes the Baytown Municipal Development District (district), notwithstanding any other law, to spend sales tax revenue on the land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements the governing body of the district finds will promote new or expanded business development in the district.

SECTION 2. Effective date: upon passage or September 1, 2009.