

BILL ANALYSIS

Senate Research Center
76R10038 CLG-F

C.S.S.B. 918
By: Wentworth
Intergovernmental Relations
4/8/1999
Committee Report (Substituted)

DIGEST

Currently, under Texas law, the City of Leon Valley is excluded from being able to form a Section 4B corporation in order to stimulate economic development in that municipality. This bill would redefine the eligibility requirements of municipalities to create certain development corporations under the Development Corporation Act.

PURPOSE

As proposed, C.S.S.B. 918 redefines those municipalities who may be eligible to create certain development corporations.

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 4B(a)(1), Article 5190.6, V.T.C.S. (Development Corporation Act of 1979), to redefine "eligible city" to include a city that is located in a county with a population of 750,000, or more, and in which the combined rate of all sales and use taxes does not exceed 8.25 percent, rather than 7.75 percent, on a certain date, or a city that is located in a county with a population of more than 1,100,000, in which there are more than 20, rather than 29, incorporated municipalities, and in which the combined rate of all sales and use taxes does not exceed 8.25 percent, rather than 7.75 percent, on a certain date. Deletes text providing that Paragraph (C) expires September 1, 1999. Effective date: 90 days after adjournment.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 4B(a)(1), Article 5190.6, V.T.C.S. (Development Corporation Act of 1979), to redefine "eligible city."