

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 2446
By: West
Intergovernmental Relations
5/3/2019
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.S.B. 2446 amends the Special District Local Laws Code to create the SoGood Cedars Municipal Management District within the corporate limits of the City of Dallas, subject to voter approval at a confirmation election, to provide certain improvements, projects, and services for public use and benefit.

The bill provides for, among other provisions, municipal management district powers, including water district powers, road district powers, public improvement district powers, and district eligibility for inclusion in special zones under the Tax Code. The bill allows the district to form a nonprofit corporation for the implementation of services, contract to provide law enforcement services, and engage in economic development programs. The bill also provides for the annexation or exclusion of district land and dissolution of the district.

The district's powers and duties include, subject to certain requirements, the power to levy taxes and impose assessments and the power to issue obligations secured by ad valorem taxes, assessments, or any other district source of revenue. The district may issue bonds in the manner provided by Chapter 372, Texas Local Government Code, only if the improvements financed by those bonds will be conveyed to or operated by a municipality or other retail provider pursuant to an agreement with that entity. Voter approval at an election is required for the district to impose an ad valorem tax or operation and maintenance tax. The bill prohibits the district from exercising the power of eminent domain.

Certain tax-exempt properties will not be subject to any assessment, tax, fee, or other revenue source charged by the MMD. The bill provides for municipal oversight.

C.S.S.B. 2446 amends current law relating to the creation of the SoGood Cedars Municipal Management District; provides authority to issue bonds; and provides authority to impose assessments, fees, and taxes.

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 3963, as follows:

CHAPTER 3963. SOGOOD CEDARS MUNICIPAL MANAGEMENT DISTRICT

Sets forth standard language for the creation of the SoGood Cedars Municipal Management District (district) in the City of Dallas. Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district, including provisions related to eligibility for inclusion in special zones (Sections 3963.0101–3963.0108);

Size, composition, election, compensation, and terms of the board of directors of the district, including the naming of and provisions related to initial temporary directors (Sections 3963.0201–3963.0205);

Powers, duties, and financial provisions, including a prohibition on exercising eminent domain power (Sections 3963.0301–3963.0313);

Authority to impose assessments (Sections 3963.0401–3963.0402);

Authority to impose taxes and to issue bonds and obligations for the district (Sections 3966.0501–3966.0507); and

Dissolution of the district (Sections 3963.0901).

Prohibits the district from exercising the power of eminent domain.

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2019.