

BILL ANALYSIS

S.B. 1367
By: Buckingham
Urban Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been suggested that current law unnecessarily restricts a municipal development district's funding of certain economic development projects to projects in the district's boundaries, even if a project located outside the district is determined to have a positive return on investment for the district. S.B. 1367 seeks to address this issue by authorizing a district to use money in its development project fund for a development project located outside the district under certain conditions.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 1367 amends the Local Government Code to authorize a municipal development district to use money in its development project fund to pay the costs of planning, acquiring, establishing, developing, constructing, or renovating one or more development projects located outside the district if the district's board of directors determines that the project will provide an economic benefit to the district and if the following entities, as applicable, by resolution approve the project:

- the municipality that created the district;
- each municipality in whose corporate limits or extraterritorial jurisdiction the project is located; and
- the commissioners court of the county in which the project is located, if the project is not located in the corporate limits or extraterritorial jurisdiction of a municipality.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.