

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1843  
By: Harris  
Intergovernmental Relations  
4-17-97  
Committee Report (Substituted)

### **DIGEST**

Currently, under Texas law, it is unclear whether two or more cities can join together and use proceeds from the half-cent sales tax for economic development to construct and operate facilities such as a library or emergency medical services facility. In some areas in Texas, the ability of small cities to pool their resources may enable them to better serve the citizens in all their respective communities, and help save taxpayer money. This bill is intended to clarify a city's ability to use proceeds from the half-cent sales tax for economic development to jointly construct and operate facilities.

### **PURPOSE**

As proposed, C.S.S.B. 1843 authorizes public entities to join together in the planning, acquisition, financing, construction, ownership, operating, and maintenance of public facilities; authorizes the issuance of bonds and grants the power of eminent domain.

### **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 Title 12C, Local Government Code, by adding Chapter 396, as follows:

#### **CHAPTER 396. JOINT OWNERSHIP OF PUBLIC FACILITIES**

Sec. 396.001. **PURPOSE.** Provides that the purpose of this chapter is to clarify and make definitive and secure the right and authority of public entities to join together as co-tenants or co-owners in the planning, financing, acquisition, construction, ownership, operating, and maintenance of public facilities as a means of achieving economies of scale and making more efficient use of public resources.

Sec. 396.002. **DEFINITIONS.** Defines "public entity" and "public facility."

Sec. 396.003. **AGREEMENTS BY PUBLIC ENTITIES.** Provides that two or more public entities are authorized to join together to finance, acquire, construct, operate, and maintain public facilities and to enter into agreements for the planning, financing, acquisition, construction, ownership, operation, and maintenance of such public facilities so that the same, or an undivided interest in the facilities, will be jointly owned in co-tenancy or co-ownership with certain ownership interests. Sets forth provisions regarding the rights, powers, and liabilities of a public entity, and regarding agreements between public entities relating to certain public facilities.

Sec. 396.004. **POWERS OF PARTICIPATING ENTITIES.** Sets forth the rights and powers of each public entity regarding certain public facilities. Provides that nothing in this section shall be construed to limit the scope and application of Section 396.003.

Sec. 396.005. **ADDITIONAL AUTHORITY OF CHAPTER.** Requires the powers and duties herein granted to public entities to be in addition to and in substitution for any powers

and authority granted to public entities under the laws of this state, and requires the exercise by any public entities of the powers and authority granted hereby and the performance or effectuation of any agreements entered into pursuant to the provisions hereof to be deemed to constitute additional public purposes of such public entities, notwithstanding the existence of any expressed or implied limitations of the powers, authority, or purposes under any other general or special laws or charter provisions.

SECTION 2. Emergency clause.  
Effective date: upon passage.

### **SUMMARY OF COMMITTEE CHANGES**

#### SECTION 1.

Amends Title 12C, Local Government Code, by adding Chapter 396, rather than amending Title 10, Local Government Code, by adding Chapter 334. Adds headings to each subsection. Makes conforming, nonsubstantive, and format changes.

#### SECTION 2.

Removes proposed SECTION 2. Redesignated from proposed SECTION 3.