

## **BILL ANALYSIS**

Senate Research Center

S.B. 918  
By: Wentworth  
Intergovernmental Relations  
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As Filed

### **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, 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), Development Corporation Act of 1979 (Article 5190.6, V.T.C.S.), to redefine “eligible city” to include 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, and deletes text providing that Paragraph (C) expires September 1, 1999. Effective date: 90 days after adjournment.