

## **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.”