

BILL ANALYSIS

Senate Research Center
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S.B. 234
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Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The purpose of S.B. 234 is to create a municipal management district (MMD) that will promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, arts, economic development, safety, and public welfare within a defined area in the City of Rowlett, Texas. MMDs facilitate economic development and reduce the city's financial risk. MMDs have the ability to levy taxes, assessments, or impact fees; enter into agreements to implement project plans; contract with overlapping tax increment reinvestment zones; and monetize cash flow by issuing debt.

Only district property owners pay taxes, assessments, and fees to fund capital improvements and maintenance within the district. S.B. 234 creates a district that can provide a wide range of services and improvements related to economic development; unemployment reduction; business recruitment; promotion of health and sanitation; public safety, traffic control, and recreation; landscaping, lighting, and signs; streets, walkways, and drainage; solid waste, water, sewer, and power facilities; parks, historic areas, and works of art; and parking facilities and transit systems.

S.B. 234 provides for an initial board of directors, sets the initial geographic boundaries of the MMD, and defines its powers.

As proposed, S.B. 234 amends current law relating to the creation of the Rowlett Downtown Management District; provides authority to impose a tax, levy an assessment, and issue bonds; and prohibits the district from exercising the power of eminent domain.

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 3894, as follows:

CHAPTER 3894. ROWLETT DOWNTOWN MANAGEMENT DISTRICT

Sets forth standard language for the creation of the Rowlett Downtown Management District (district) in the City of Rowlett (city). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 3894.001-3894.050);

Size, composition, appointment, compensation, and terms of the board of directors of the district, including the naming of the initial directors (Sections 3894.051-3894.100);

Powers and duties of the district (Sections 3894.101-3894.150);

General financial provisions and authority to impose a tax, fee, and assessment and to issue bonds;

Obligations for the district (Sections 3894.151-3894.200); and

Dissolution of the district by the city (Sections 3894.201-3894.203).

Prohibits the district from exercising the power of eminent domain.

SECTION 2. Sets forth 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, 2011.