



2015-2016 General Assembly

# HOUSE BILL 97: 2015 Appropriations Act, Sec. 15.16B: Municipal Service Districts/Contracts with Private Agency/Taxes/Study

**Committee:**  
**Introduced by:**  
**Analysis of:** Sec. 15.16B of S.L. 2015-241

**Date:**  
**Prepared by:** R. Erika Churchill  
Staff Attorney

**SUMMARY:** *With respect to municipal service districts established by cities, Sec. 15.16B of S.L. 2015-241 does all of the following:*

*For all municipal service districts, the section requires the city to develop long-range plans and goals, set the tax rate in accordance with those plans and goals, and use the moneys collected for the purpose of those plans and goals. This provision becomes effective for tax imposed for taxable years beginning on or after January 1, 2016.*

*For municipal service districts created for historical districts, downtown revitalization, and urban revitalization, this section sets forth the following requirements on contracts with private agencies:*

- *Prior to entering into the contract the city must:*
  - *Solicit input from the residents and property owners as to the needs of the service district.*
  - *Use a bid process to determine which private agency is best suited to achieve the needs of the service district. If the city determines that a multiyear contract with a private agency is in the best interest of the city and the service district, the city may enter into a multiyear contract not to exceed five years in length.*
  - *Hold a public hearing.*
- *The city must require the private agency to report annually to the city, by presentation in a city council meeting and in written report, regarding the needs of the service district, completed projects, and pending projects.*
- *The contract is to specify the scope of services to be provided by the private agency. Any changes to the scope of services must be approved by the city council.*

*This provision became effective October 1, 2015, and applies to contracts entered into on or after that date.*

*Effective September 18, 2015, authorizes the Legislative Research Commission to study the feasibility of allowing property owners within a municipal service district to petition for removal from that municipal service district, and submit a report to the 2016 Regular Session of the 2015 General Assembly.*

O. Walker Reagan  
Director



Research Division  
(919) 733-2578