BILL ANALYSIS

H.B. 3555 By: Thompson Transportation Committee Report (Amended)

BACKGROUND AND PURPOSE

A major thoroughfare between Will Clayton Parkway and FM 1960 is needed in the area of the proposed district. Right of way was dedicated to construct this thoroughfare over ten years ago, however construction has still not begun. Currently, without this thoroughfare, there is little or no access to the substantial amount of property in this area. This lack of access has slowed development of this property.

HB 3555 creates the Harris County Road Improvement District No. 2 as a political subdivision of the State of Texas to finance, construct, acquire and develop certain road, street, and bridge improvement and other conservation and reclamation projects in the district.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

Section 1. CREATION OF DISTRICT.

- (a) Harris County Road Improvement District is created.
- (b) The board may change the district's names.

Section 2. DECLARATION OF INTENT.

- (a) The creation of the district is necessary to promote the public welfare in the area of the district.
- (b) The creation of the district is essential to accomplish purposes of Section 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.

Section 3. DEFINITIONS.

- (1) defines "board"
- (2) defines "district"

Section 4. BOUNDARIES. Details the boundaries of the district.

Section 5. FINDINGS RELATED TO BOUNDARIES. A mistake in the field notes or in copying the fields or in copying the field notes in legislative process does not affect the district's

- (1) organization, existence or validity;
- (2) right to issue any type of bond;
- (3) right to impose or collect a tax; or
- (4) legality or operation.

SECTION 6. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

- (a) The district is created to serve a public use and benefit.
- (b) All land and other property included in the district will benefit from the improvements and services to be provided by the district.
- (c) The creation of the district is in the public interest and essential to:
 - (1) further the development and diversification of the economy of the state;
 - (2) eliminate unemployment and underemployment;
 - (3) develop or expand transportation and commerce.
- (d) The traffic congestion in the district and the safety of pedestrians and the limited availability of funds require public transportation and pedestrian facilities and systems, and the district will serve

H.B. 3555 78(R) Page 1 of 3

the purpose of securing and expanding the facilities and systems.

- (e) The district will:
 - (1) promote general welfare of residents in the district;
 - (2) provide funding for the economic vitality of the district;
 - (3) provide pedestrian ways, landscaping and develop certain areas;
- (f) Components of street or road improvement.
- (g) The district will not act as the agent of any private interest.
- Section 7. APPLICATION OF OTHER LAW. Chapter 311, Government Code applies to this act.
- Section 8. CONSTRUCTION OF ACT.
- Section 9. BOARD OF DIRECTORS; TERMS.
 - (a) The district has 5 elected directors who serve four year terms.
 - (b) Elections held on uniform election date.

Section 10. QUALIFICATIONS

- (a) A person must meet the qualifications of Section 375.063, Local Government Code.
- (b) Section 49.052, Water Code, does not apply.
- Section 11. POWERS OF DISTRICT. The district has all authority provided under Section 52, Article III, Texas Constitution and Section 59, Article XVI, Texas Constitution including:
 - (1) Chapter 257 and 441, Transportation Code;
 - (2) Chapter 375, Local Government Code; and
 - (3) Chapters 54 and 49, Water Code.

Section 12. AGREEMENTS: GRANTS.

- (a) The district may make agreements with any person.
- (b) The implementation of a project is a governmental function for the purpose of Chapter 791, Government Code
- Section 13. LAW ENFORCEMENT CODE. The district may contract for law enforcement services.
- Section 14. AUTHORITY TO IMPOSE AD VALOREM TAXES, ASSESSMENTS, AND IMPACT FEES. The district may impose a tax and use revenue for any district purpose.
- Section 15. ELECTIONS REGARDING TAXES OR BONDS.
 - (a) The district must hold an election to impose a tax.
 - (b) The board may include more than one purpose in an election.

Section 16. MAINTENANCE TAX.

- (a) The district may impose a property tax to:
 - (1) maintain and operate the district; or
 - (2) provide service.
- (b) The board shall determine the tax rate.
- Section 17. ASSESSMENTS; PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS.
 - (a) The board may impose an assessment for any purpose authorized by this Act.
 - (b) The board may not finance a service through an assessment unless a written petition requesting the service has been filed. The petition must be signed by:
 - (1) the owners of a majority of the property that will be subject to the assessment
 - (2) at least 25 owners of land in the district
 - (c) An assessment of any kind, penalties and interest on an assessment, an expense of collection, and reasonable attorney's fees incurred by the district:
 - (1) are a first and prior lien against the property assessed;
 - (2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and
 - (3) are the personal liability of and charge against the owners of the property.
- (d) The lien is effective from the imposition date until the date the assessment is paid. Section 18. OBLIGATIONS.
 - (a) The district may issue bonds to pay for any authorized purpose of the district.
 - (b) In exercising the district's borrowing power the district may issue a bond.

Section 19. INITIAL DIRECTORS.

- (a) Names of initial directors.
- (b) First three directors terms expire June 1, 2006. Last two directors expire June 1, 2004

H.B. 3555 78(R) Page 2 of 3

- (c) The board shall hold an election in May 2004 for terms expiring June 1, 2004, May 2006 for terms expiring June 1, 2006.
- (d) This section expires September 1, 2006.

Section 20. ADDITIONAL LEGISLATIVE FINDINGS. The legislature finds that:

- (1) proper and legal notice of the intention to introduce this Act has been furnished to all persons, agencies, officials, or entities as required;
 - (2) The Texas Commission on Environmental Quality has filed its recommendations to the required entities relating to this Act within the required time; and
 - (3) the general law relating to consent by political subdivisions has been complied with; and
 - (4) All requirements of Law have been fulfilled with respect to this Act.

EFFECTIVE DATE

Upon passage, or, If the Act does not receive the necessary vote, the Act takes effect September 1, 2003.

EXPLANATION OF AMENDMENTS

Committee Amendment No. 1 identifies the names of the initial board of directors.

Committee Amendment No. 2 states that the district may not impose a tax on electric utility or a power generation company as defined by Section 31.002, Utilities Code, a gas utility as defined by Section 101.003 or 121.001, Utilities Code, or a telecommunications provider as defined by Section 51.002 Utilities Code.

H.B. 3555 78(R) Page 3 of 3