### **BILL ANALYSIS**

H.B. 3587 By: Callegari County Affairs Committee Report (Unamended)

# BACKGROUND AND PURPOSE

HB 3587 amends Subchapter K, Chapter 376, Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, which created the Energy Corridor Management 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. Amends the heading of Subchapter K from Energy Corridor Management District to Harris County Improvement District No. 4.

SECTION 2. Amends the name of the district in Section 376.451(a), Local Government Code, from Energy Corridor Management District to Harris County Improvement District No. 4.

SECTION 3. Amends the Declaration of Intent for the district in Section 376.452, Local Government Code.

SECTION 4. Amends the definition of district in Section 376.453(3), Local Government Code, from Energy Corridor Management District to Harris County Improvement District No.4.

SECTION 5. Amends Section 376.459, Local Government Code, to allow the board to increase or decrease the size of the board to no fewer than 7 members and no greater than 15 members.

SECTION 6. Clarifies that a nonvoting director is not included for the purpose of establishing a quorum.

SECTION 7. Clarifies the powers the District currently has of a corporation created under Section 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes).

SECTION 8. Clarifies the requirements in Section 376.467, Local Government Code, for financing services and improvements with assessments.

SECTION 9. Amends election requirements before the district imposes a maintenance tax or issues bonds payable from ad valorem taxes under Section 376.468, Local Government Code.

SECTION 10. Amends the notice and hearing requirements for making a correction or deletion from the assessment rolls pursuant to Section 376.470, Local Government Code.

SECTION 11. Adds Section 376.478 to authorize the district to grant an abatement for a tax or assessment owed to the district without further authorization or other procedural requirements. Adds Section 376.479 to authorize the district to join and pay dues to a charitable organization that performs services or provides activities consistent with the furtherance of the purposes of the district. Adds Section 376.480 to provide that the district is eligible for inclusion in a tax increment reinvestment zone created by the municipality under Chapter 311, Tax Code, a tax abatement reinvestment zone created by the municipality under Chapter 312, Tax Code, or an enterprise zone created by the municipality under

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Chapter 2303, Government Code. Adds Section 376.481 to provide that the district may establish or provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, and that the district has all the powers and authority of a municipality under Chapter 380, Local Government Code.

SECTION 12. Repeals Section 376.459(c), which allows for a voting director to receive compensation as provided by Section 49.060, Water Code. Repeals Section 376.460(b), Local Government Code, thus allowing for a change in the composition of the board of directors of the district.

SECTION 13. LEGISLATIVE FINDINGS. Sets forth legislative findings regarding the fulfillment of procedural requirements with respect to the notice, introduction, and passage of this Act. SECTION 14. EFFECTIVE DATE. Provides that the effective date will be upon passage or September 1, 2003.

## **EFFECTIVE DATE**

This act takes effect upon passage if it receives a two-thirds majority vote in each house or September 1, 2003.

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