

BILL ANALYSIS

C.S.H.B. 3954
By: Macias
County Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Current law authorizes certain counties to develop improvement projects and establish public improvement districts. Bexar County has very efficiently used this code to develop the Cibolo Canyons.

C.S.H.B. 3954 would allow an area in Comal County and in the extraterritorial jurisdiction of San Antonio to qualify for the current law which will enable them to create a public improvement district to create a master-planned residential community. It also would clarify certain provisions of the current code which have been found problematic in existing public improvement districts.

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

C.S.H.B. 3954 expands the applicability of Chapter 372, Subchapter C, Local Government Code, to include a county with a population of 825,000 or more, unless the county borders on the Gulf of Mexico or a bay or inlet of the gulf, or has two municipalities located wholly or partly in its boundaries each having a population of 300,000 or more. It also applies to a county with a population of 70,000 or more that is adjacent to a county described by Section 372.1011 (1) in which a municipality with a population of 35,000 or more is primarily situated and includes all or part of the extraterritorial jurisdiction of a municipality with population of 1.1 million or more.

The bill also adds language specifying the applicability requirements and amends the language to include the nature of the district. It also expands the bracket of counties that are authorized to create public improvement districts under Section 372.105. The bill restricts the creation of public improvement districts in such counties to areas containing at least 2,000 contiguous acres of land within the extraterritorial jurisdiction of a municipality with a population of 1.1 million or more.

The bill further clarifies certain provisions of Chapter 372, Subchapter C, relating to the constitutional nature of a district, bond and sales tax elections, and the pledge of taxes and revenues to bonds. It also specifies the conditions that a ballot for a sales tax election must comply with. Also, the bill allows the combination of taxes and revenue to be pledged to payment of bonds. Finally, it validates certain prior acts and proceedings relating to the authorization of taxes or bonds by a district created under Chapter 372, Subchapter C.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 3954 is a Legislative Council draft; whereas the original was not. The substitute modifies the original by removing definitions for "adjacent county" and "eligible county." It adds language specifying the applicability requirements and amends the language to include the nature of the district. The substitute removes the text "an eligible" county and removes the language specifying a November uniform election date. Finally, the substitute allows the combination of taxes and revenue to be pledged to payment of bonds, and validates the prior acts and proceedings of districts.

C.S.H.B. 3954 80(R)