

## **BILL ANALYSIS**

C.S.H.B. 4057  
By: Solomons  
Natural Resources  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Denton County Levee Improvement District No. 1 of Denton and Dallas Counties, Texas (the District) encompasses an area of land inside the corporate boundaries of the Cities of Lewisville and Coppel, Texas.

C.S.H.B. 4057 amends Chapter 473, Acts of the 69th Legislature, Regular Session, 1985 to provide the District with the power to finance a service or improvement project with assessments.

### **RULEMAKING AUTHORITY**

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

### **ANALYSIS**

SECTION 1. C.S.H.B. 4057 amends Section 1, Chapter 473, Acts of the 69th Legislature, Regular Session, 1985 to provide that "District" means the Denton County Levee Improvement District No. 1 of Denton and Dallas Counties, Texas. It further provides that the "Board" refers to the district's board of directors.

SECTION 2. C.S.H.B. 4057 amends Section 3, Chapter 473, Acts of the 69th Legislature, Regular Session, 1985 to provide that the district is a levee improvement district created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

SECTION 3. C.S.H.B. 4057 amends Section 6, Chapter 473, Acts of the 69th Legislature, Regular Session, 1985 to state that Chapters 49 and 57, Water Code, apply to the district except to the extent this Act constitutes a modification of the provisions of the general law.

SECTION 4. C.S.H.B. 4057 amends Chapter 473, Acts of the 69th Legislature, Regular Session, 1985, by adding Sections 6A through 6F. Section 6A(a) states that the board may undertake an improvement project or service that confers a special benefit on all or a definable part of the district. Under Section 6A(b), the board may impose and collect special assessments on property in the district, based on the benefit conferred by the project or service under this section, to pay all or part of the cost of the project or service. Under Section 6A(c), as needed for the restoration, preservation, or enhancement of the scenic and aesthetic beauty of an area in the district, the district may provide an improvement project or service under this section that may include the acquisition, construction, or financing of: (1) a drainage facility; (2) a hike and bike trail; (3) a pedestrian way along or across a street, at grade or above or below the surface; (4) landscaping; and (5) other development. Sections 375.111 through 375.124, Local Government Code, apply to the financing of an improvement project or service under this section.

Under Section 6B of C.S.H.B. 4057, the board may not finance a service or improvement project with assessments under this Act unless a written petition requesting that service or improvement has been filed with the board. The written petition must be signed by either the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified appraisal rolls for Denton and Dallas Counties, or the owners of a majority of the surface area of real property in the district subject to assessment as determined by the board.

Section 6C provides that the board by resolution may impose and collect an assessment for any purpose authorized by this chapter. Under this section, an assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, 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 a charge against the owners of the property even if the owners are not named in the assessment proceedings. Further, the lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

Section 6D of C.S.H.B. 4057 states that the district may not impose an impact fee or assessment on single-family residential property. Section 6E provides that the district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose. Provides that in exercising the district's power to borrow, the district may issue a bond or other obligation in the form of a bond, note, certificate of participation or other instrument evidencing a proportionate interest in payments to be made by the district, or other type of obligation. The district must obtain approval by the City of Lewisville before issuing bonds under this section.

Under Section 6F of C.S.H.B. 4057, the district may not impose an impact fee or assessment on the property, equipment, rights-of-way, facilities, or improvements of the following: (1) electric utility or power generation company; (2) a gas utility; (3) a telecommunications provider; or (4) a person who provides cable television or advanced telecommunications services to the public.

SECTION 5. C.S.H.B. 4057 repeals Sections 7 and 8, Chapter 473, Acts of the 69th Legislature, Regular Session, 1985. These sections relate to notice requirements and emergency matters which applied at the time the legislation creating the Denton County Levee Improvement District No. 1 was first introduced and are no longer necessary.

SECTION 6. This section states that proper and legal notice setting forth the general substance of this Act has been published as provided by law. Notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code. Further, the Governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality and the Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the Governor, Lieutenant Governor, and Speaker of the House of Representatives within the required time. All the requirements of the Constitution and laws of this State and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 7. C.S.H.B. 4057 is effective immediately if it receives a two-thirds majority vote of the Legislature, as provided by Section 39, Article III, Texas Constitution; otherwise it is effective on September 1, 2007.

#### **EFFECTIVE DATE**

C.S.H.B. 4057 is effective immediately if it receives a two-thirds majority vote of the Legislature, as provided by Section 39, Article III, Texas Constitution; otherwise it is effective on September 1, 2007.

#### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

C.S.H.B. 4057 adds section 6F to Chapter 473, Acts of the 69th Legislature, Regular Session, 1985. This section was not included in the filed version.