

**BILL ANALYSIS**

C.S.H.B. 3916  
By: Fallon  
Special Purpose Districts  
Committee Report (Substituted)

**BACKGROUND AND PURPOSE**

Interested parties have expressed the need for a municipal management district in the City of Aubrey. C.S.H.B. 3916 seeks to address this issue.

**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. 3916 amends the Special District Local Laws Code to create the Comanche Municipal Management District No. 1, subject to voter approval at a confirmation election and municipal consent, to provide certain improvements, projects, and services for public use and benefit. The bill provides for, among other provisions, applicability of municipal management districts law, improvement projects and applicable requirements, water district powers, road district powers, public improvement district powers, contract powers, and emergency services. The district's powers and duties include, subject to certain requirements, the authorization to issue obligations and impose assessments. The bill sets out procedures for the dissolution of the district by the City of Aubrey. The district is prohibited from exercising the power of eminent domain; from imposing an impact fee or property tax; and from constructing, acquiring, maintaining, or operating a toll road.

**EFFECTIVE DATE**

September 1, 2013.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3916 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED	HOUSE COMMITTEE SUBSTITUTE
SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3918 to read as follows: <u>CHAPTER 3918. COMANCHE MUNICIPAL MANAGEMENT DISTRICT NO. 1</u>	SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3918 to read as follows: <u>CHAPTER 3918. COMANCHE MUNICIPAL MANAGEMENT DISTRICT NO. 1</u>
<u>SUBCHAPTER A. GENERAL</u>	<u>SUBCHAPTER A. GENERAL</u>

PROVISIONS

Sec. 3918.001. DEFINITIONS.

Sec. 3918.002. NATURE OF DISTRICT.

Sec. 3918.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED.

Sec. 3918.004. CITY CONSENT AND DEVELOPMENT AGREEMENT EXECUTION REQUIRED.

Sec. 3918.005. PURPOSE; DECLARATION OF INTENT.

Sec. 3918.006. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

Sec. 3918.007. INITIAL DISTRICT TERRITORY.

Sec. 3918.008. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

Sec. 3918.009. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW.

Sec. 3918.010. CONSTRUCTION OF CHAPTER.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3918.051. GOVERNING BODY; TERMS.

Sec. 3918.052. INITIAL DIRECTORS.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3918.101. GENERAL POWERS AND DUTIES.

Sec. 3918.102. IMPROVEMENT PROJECTS.

Sec. 3918.103. WATER DISTRICT POWERS.

Sec. 3918.104. ROAD DISTRICT POWERS.

PROVISIONS

Sec. 3918.001. DEFINITIONS.

Sec. 3918.002. NATURE OF DISTRICT.

Sec. 3918.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED.

Sec. 3918.004. CITY CONSENT AND DEVELOPMENT AGREEMENT EXECUTION REQUIRED.

Sec. 3918.005. PURPOSE; DECLARATION OF INTENT.

Sec. 3918.006. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

Sec. 3918.007. Substantially the same as introduced version.

Sec. 3918.008. Substantially the same as introduced version.

Sec. 3918.009. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW.

Sec. 3918.010. CONSTRUCTION OF CHAPTER.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3918.051. GOVERNING BODY; TERMS.

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Sec. 3918.101. GENERAL POWERS AND DUTIES.

Sec. 3918.102. IMPROVEMENT PROJECTS.

Sec. 3918.103. WATER DISTRICT POWERS.

Sec. 3918.104. ROAD DISTRICT POWERS.

Sec. 3918.105. PUBLIC IMPROVEMENT DISTRICT POWERS.

Sec. 3918.106. CONTRACT POWERS.

Sec. 3918.107. EMERGENCY SERVICES.

Sec. 3918.108. NO TOLL ROADS.

Sec. 3918.109. NO EMINENT DOMAIN POWER.

SUBCHAPTER C-1. IMPROVEMENT PROJECTS AND SERVICES

Sec. 3918.151. IMPROVEMENT PROJECTS AND SERVICES.

Sec. 3918.152. BOARD DETERMINATION REQUIRED.

Sec. 3918.153. LOCATION OF IMPROVEMENT PROJECT.

Sec. 3918.154. CITY REQUIREMENTS.

Sec. 3918.155. IMPROVEMENT PROJECT AND SERVICE IN DEFINABLE AREA.

SUBCHAPTER D. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

Sec. 3918.201. DIVISION OF DISTRICT; PREREQUISITE. The district may be divided into two or more new districts only if the district has no outstanding bonded debt.

Sec. 3918.202. LAW APPLICABLE TO NEW DISTRICT. This chapter applies to any new district created by division of the district, and a new district has all the powers and duties of the district.

Sec. 3918.203. DIVISION PROCEDURES.  
(a) The board, on its own motion or on receipt of a petition signed by an owner of real property in the district, may adopt an order proposing to divide the district.  
(b) The board may not divide the district unless the division is approved by the governing body of the city by resolution. The resolution may set terms for the division under Subsection (c).

Sec. 3918.105. PUBLIC IMPROVEMENT DISTRICT POWERS.

Sec. 3918.106. CONTRACT POWERS.

Sec. 3918.107. EMERGENCY SERVICES.

Sec. 3918.108. NO TOLL ROADS.

Sec. 3918.109. NO EMINENT DOMAIN POWER.

SUBCHAPTER C-1. IMPROVEMENT PROJECTS AND SERVICES

Sec. 3918.151. IMPROVEMENT PROJECTS AND SERVICES.

Sec. 3918.152. BOARD DETERMINATION REQUIRED.

Sec. 3918.153. LOCATION OF IMPROVEMENT PROJECT.

Sec. 3918.154. CITY REQUIREMENTS.

Sec. 3918.155. IMPROVEMENT PROJECT AND SERVICE IN DEFINABLE AREA.

No equivalent provision.

No equivalent provision.

No equivalent provision.

No equivalent provision.

(c) If the board decides to divide the district, the board shall, subject to the city's resolution:

(1) set the terms of the division, including names for the new districts and a plan for the payment or performance of any outstanding district obligations;

(2) prepare a metes and bounds description for each proposed district; and

(3) appoint initial directors for each new district.

Sec. 3918.204. NOTICE AND RECORDING OF ORDER. Not later than the 30th day after the date of an order dividing the district, the district shall:

(1) file the order with the Texas Commission on Environmental Quality; and

(2) record the order in the real property records of the county.

Sec. 3918.205. CONTRACT AUTHORITY OF NEW DISTRICTS. (a) Except as provided by Subsection (b), the new districts may contract with each other for any matter the boards of the new districts consider appropriate.

(b) The new districts may not contract with each other for water and wastewater services.

SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

Sec. 3918.251. DISBURSEMENTS AND TRANSFERS OF MONEY.

Sec. 3918.252. MONEY USED FOR IMPROVEMENTS OR SERVICES.

Sec. 3918.253. BORROWING MONEY; OBLIGATIONS.

Sec. 3918.254. ASSESSMENTS.

Sec. 3918.255. NOTICE OF ASSESSMENTS.

Sec. 3918.256. RESIDENTIAL PROPERTY NOT EXEMPT.

Sec. 3918.257. NO IMPACT FEES.

No equivalent provision.

No equivalent provision.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

Sec. 3918.201. DISBURSEMENTS AND TRANSFERS OF MONEY.

Sec. 3918.202. MONEY USED FOR IMPROVEMENTS OR SERVICES.

Sec. 3918.203. BORROWING MONEY; OBLIGATIONS.

Sec. 3918.204. Substantially the same as introduced version.

Sec. 3918.205. NOTICE OF ASSESSMENTS.

Sec. 3918.206. RESIDENTIAL PROPERTY NOT EXEMPT.

Sec. 3918.207. NO IMPACT FEES.

Sec. 3918.258. NO AD VALOREM TAX.

Sec. 3918.208. NO AD VALOREM TAX

SUBCHAPTER F. DISSOLUTION

SUBCHAPTER E. DISSOLUTION

Sec. 3918.301. DISSOLUTION BY CITY.

Sec. 3918.251. DISSOLUTION BY CITY.

Sec. 3918.302. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

Sec. 3918.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

Sec. 3918.303. ASSUMPTION OF ASSETS AND LIABILITIES.

Sec. 3918.253. ASSUMPTION OF ASSETS AND LIABILITIES.

SECTION 2. Establishes initial boundaries for the Comanche Municipal Management District No. 1.

SECTION 2. Same as introduced version.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the 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.

SECTION 3. Same as introduced version.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) 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.

(d) All 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 4. This Act takes effect September 1, 2013.

SECTION 4. Same as introduced version.