

BILL ANALYSIS

C.S.H.B. 2100
By: Hernandez
Special Purpose Districts
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note that the municipal infrastructure and green space in an area of the City of Houston that is home to the predominantly Hispanic Denver Harbor neighborhood and the predominantly African American Pleasantville neighborhood and also to many light industrial, warehousing, and logistics operations that service the Port of Houston are in serious need of repair. C.S.H.B. 2100 seeks to provide for public investment in the area and funding for the beautification and improvement of the area.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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. 2100 amends the Special District Local Laws Code to create the East Houston Management District to provide certain improvements, projects, and services for public use and benefit. The bill provides for, among other provisions, dissolution of the district by the City of Houston. The district's powers and duties include, subject to certain requirements, the authorization to issue obligations, establish storm water and nonpotable water user charges, and impose assessments and property and sales and use taxes. The district is prohibited from exercising the power of eminent domain.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2100 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted 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

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84R 26847

15.120.126

Substitute Document Number: 84R 19981

District Local Laws Code, is amended by adding Chapter 3923 to read as follows:

CHAPTER 3923. EAST HOUSTON MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3923.001. DEFINITIONS.

Sec. 3923.002. CREATION AND NATURE OF DISTRICT.

Sec. 3923.003. PURPOSE; LEGISLATIVE FINDINGS.

Sec. 3923.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

Sec. 3923.005. DISTRICT TERRITORY.

Sec. 3923.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

Sec. 3923.007. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW.

Sec. 3923.008. CONSTRUCTION OF CHAPTER.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3923.051. GOVERNING BODY; TERMS.

Sec. 3923.052. QUALIFICATIONS OF DIRECTORS APPOINTED BY CITY.

Sec. 3923.053. APPOINTMENT OF DIRECTORS; COMPOSITION OF BOARD.

Sec. 3923.054. VACANCY.

Sec. 3923.055. DIRECTOR'S OATH OR AFFIRMATION.

Sec. 3923.056. QUORUM.

Sec. 3923.057. OFFICERS.

Sec. 3923.058. COMPENSATION;

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Sec. 3923.056. QUORUM.

Sec. 3923.057. OFFICERS.

Sec. 3923.058. COMPENSATION;

EXPENSES.

Sec. 3923.059. LIABILITY INSURANCE.

Sec. 3923.060. NO EXECUTIVE COMMITTEE.

Sec. 3923.061. BOARD MEETINGS.

Sec. 3923.062. INITIAL DIRECTORS. (a)

The initial board consists of:

<u>Pos. No.</u>	<u>Name of Director</u>
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	

(b) The terms of the initial directors expire June 1, 2017.

(c) Of the directors who replace an initial director, the terms of directors serving in positions 1 through 6 expire June 1, 2019, and the terms of directors serving in positions 7 through 11 expire June 1, 2021.

(d) Section 3923.053 does not apply to initial directors under this section.

(e) This section expires September 1, 2021.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3923.101. GENERAL POWERS AND DUTIES.

Sec. 3923.102. IMPROVEMENT PROJECTS AND SERVICES.

Sec. 3923.103. LOCATION OF IMPROVEMENT PROJECT.

Sec. 3923.104. DEVELOPMENT CORPORATION POWERS.

EXPENSES.

Sec. 3923.059. LIABILITY INSURANCE.

Sec. 3923.060. NO EXECUTIVE COMMITTEE.

Sec. 3923.061. BOARD MEETINGS.

Sec. 3923.062. INITIAL DIRECTORS. (a)

The initial board includes:

<u>Pos. No.</u>	<u>Name of Director</u>
1	Terri Almendarez
2	Ana Gonzalez
3	Linda Andrade
4	Ernesto Cantu
5	Pedro Diaz
6	Joshua Santana
7	Bryan Gallagher

(b) Not later than October 1, 2015, the governing body of the city shall appoint four additional initial directors to the board. Of the four initial directors appointed under this subsection:

(1) one director must be a person described by Section 3923.052(a)(1); and

(2) three directors must be persons described by Section 3923.052(a)(2) or (3).

(c) The terms of the initial directors expire June 1, 2017.

(d) Of the directors who replace an initial director, the terms of directors serving in positions 1 through 6 expire June 1, 2019, and the terms of directors serving in positions 7 through 11 expire June 1, 2021.

(e) This section expires September 1, 2021.

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Sec. 3923.104. DEVELOPMENT CORPORATION POWERS.

Sec. 3923.105. NONPROFIT CORPORATION.

Sec. 3923.106. AGREEMENTS; GRANTS.

Sec. 3923.107. LAW ENFORCEMENT SERVICES.

Sec. 3923.108. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.

Sec. 3923.109. ECONOMIC DEVELOPMENT.

Sec. 3923.110. NO EMINENT DOMAIN POWER.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

Sec. 3923.151. DISBURSEMENTS AND TRANSFERS OF MONEY.

Sec. 3923.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.

Sec. 3923.153. GENERAL POWERS REGARDING PAYMENT OF DISTRICT BONDS, OBLIGATIONS, OR OTHER COSTS.

Sec. 3923.154. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS.

Sec. 3923.155. METHOD OF NOTICE FOR HEARING.

Sec. 3923.156. ASSESSMENTS; LIENS FOR ASSESSMENTS.

Sec. 3923.157. STORM WATER USER CHARGES.

Sec. 3923.158. NONPOTABLE WATER USER CHARGES.

Sec. 3923.159. COSTS FOR IMPROVEMENT PROJECTS.

Sec. 3923.160. TAX AND ASSESSMENT ABATEMENTS.

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Sec. 3923.160. TAX AND ASSESSMENT ABATEMENTS.

SUBCHAPTER E. TAXES AND BONDS

Sec. 3923.201. TAX ABATEMENT.

Sec. 3923.202. PROPERTY TAX AUTHORIZED.

Sec. 3923.203. SALES AND USE TAX.

Sec. 3923.204. BONDS AND OTHER OBLIGATIONS.

Sec. 3923.205. BOND MATURITY.

Sec. 3923.206. TAXES FOR BONDS AND OTHER OBLIGATIONS.

SUBCHAPTER F. DISSOLUTION

Sec. 3923.251. DISSOLUTION BY CITY ORDINANCE.

Sec. 3923.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

Sec. 3923.253. CONCURRENCE ON ADDITIONAL POWERS.

Sec. 3923.254. ASSUMPTION OF ASSETS AND LIABILITIES.

SECTION 2. Establishes boundaries for the East Houston Management District.

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.

(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

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Sec. 3923.253. CONCURRENCE ON ADDITIONAL POWERS.

Sec. 3923.254. ASSUMPTION OF ASSETS AND LIABILITIES.

SECTION 2. Establishes different boundaries for the East Houston Management District.

SECTION 3. Same as introduced version.

speaker of the house of representatives within the required time.

(d) The general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with.

(e) 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 immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

SECTION 4. Same as introduced version.