

BILL ANALYSIS

Senate Research Center

H.B. 4136
By: Vo (Ellis)
Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 4136 amends the Special District Local Laws Code to increase the membership of the board of directors for the International Management District from 11 to 13 voting directors. The bill requires two voting directors to represent territory added to the district after March 1, 2015; prohibits a director from serving as the chair of the board for more than three consecutive two-year terms; and prohibits a director who has served as the chair of the board from serving as the chair again unless at least six years have passed since the last day of the director's most recent term as chair and the director is elected as chair by at least two-thirds of the serving directors. The bill removes the board's authority to change by resolution the number of voting directors on the board. The bill authorizes a majority of the directors after notice and hearing to remove a director for misconduct or failure to carry out the director's duties. The bill prohibits the board of directors from imposing an assessment on territory added to the district by an act of the legislature enacted after March 1, 2015, to finance a service or improvement project unless a written petition consenting to the imposition of assessments in the added territory has been filed with the board. The bill requires the petition to be signed by the owners of a majority of the assessed value of real property in the added territory subject to assessment according to the most recent certified tax appraisal roll for Harris County.

H.B. 4136 adds certain territory to the district and subjects the added territory to statutory provisions governing the district in the same manner as the original territory of the district is subject to those provisions, including provisions applicable to district assessments, with a certain exception. The bill establishes that on the later of June 1, 2015, or the bill's effective date, the district's board is dissolved. The bill provides for the reconstitution of the board on the bill's effective date and for the composition, appointment, and terms of the reconstituted board. The bill requires the board, as reconstituted, to elect officers and a chair not later than the 60th day after the bill's effective date. The bill provides for the validation and confirmation of certain district actions and proceedings taken before the bill's effective date.

H.B. 4136 amends current law relating to the board of directors, authority to impose assessments, and territory of the International Management District.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 3849.051, Special District Local Laws Code, as follows:

Sec. 3849.051. BOARD OF DIRECTORS; TERMS. (a) Provides that the International Management District (district) is governed by a board of 13 voting directors who serve staggered terms of four years, with six or seven directors' terms expiring June 1 of each odd-numbered year.

(b) Requires two voting directors to represent territory added to the district after March 1, 2015.

(c) Prohibits a director from serving as the chair of the board for more than three consecutive two-year terms.

(d) Prohibits a director who has served as the chair of the board from serving as the chair again unless:

(1) at least six years have passed since the last day of the director's most recent term as chair; and

(2) the director is elected as chair by at least two-thirds of the serving directors.

Deletes existing text authorizing the board by resolution to change the number of voting directors on the board, but only if the board determines that the change is in the best interest of the district. Deletes existing text prohibiting the board from consisting of fewer than five or more than 15 voting directors.

Deletes existing text providing that the district is governed by a board of 11 voting directors who serve staggered terms of four years, with five or six directors' terms expiring June 1 of each odd-numbered year.

SECTION 2. Amends Section 3849.053, Special District Local Laws Code, as follows:

Sec. 3849.053. New heading: APPOINTMENT AND REMOVAL OF DIRECTORS.

(a) Creates this subsection from existing text and makes no further change to this subsection.

(b) Authorizes a majority of the directors after notice and hearing to remove a director for misconduct or failure to carry out the director's duties.

SECTION 3. Amends Section 3849.153, Special District Local Laws Code, by amending Subsection (b) and adding Subsection (c), as follows:

(b) Requires that a petition, except as provided by Subsection (c), be signed by:

(1) the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for Harris County; or

(2) at least 50 owners of real property in the district, if more than 50 persons own real property in the district according to the most recent certified tax appraisal roll for Harris County.

(c) Prohibits the board from imposing an assessment on territory added to the district by an act of the legislature enacted after March 1, 2015, to finance a service or improvement project unless a written petition consenting to the imposition of assessments in the added territory has been filed with the board. Requires that the petition be signed by the owners of a majority of the assessed value of real property in the added territory subject to assessment according to the most recent certified tax appraisal roll for Harris County.

SECTION 4. Repealer: Section 3849.052 (Appointment of Directors on Increase in Board Size), Special District Local Laws Code.

SECTION 5. Sets forth territory that is added to the territory of the district.

SECTION 6. Provides that, except as provided by Section 3849.153, Special District Local Laws Code, as amended by this Act, the territory added to the district by Section 5 of this Act is subject to Chapter 3849, Special District Local Laws Code, in the same manner that the original territory of the district is subject to that chapter, including provisions of that chapter applicable to district assessments.

SECTION 7. (a) Provides that, on the later of June 1, 2015, or the effective date of this Act, the board of directors of the district is dissolved.

(b) Provides that, on the effective date of this Act, the board of directors of the district is reconstituted and is composed of certain named directors set forth.

(c) Requires the directors named in Subsection (b) of this section, notwithstanding Section 3849.053, Special District Local Laws Code, as amended by this Act, to appoint directors to fill positions 1, 7, 12, and 13 in Subsection (b) of this section.

(d) Provides that, notwithstanding the requirement in Section 3849.051, Special District Local Laws Code, as amended by this Act, that directors serve four-year terms:

(1) the terms of the directors of the district serving in positions 1 through 6 as provided by Subsection (b) of this section expire June 1, 2017; and

(2) the terms of the directors of the district serving in positions 7 through 13 as provided by Subsection (b) of this section expire June 1, 2019.

(e) Requires the board of directors of district, as reconstituted, to elect officers and a chair not later than the 60th day after the effective date of this Act.

SECTION 8. (a) Provides that the legislature validates and confirms all governmental acts and proceedings of the district that were taken before the effective date of this Act. Prohibits an act or proceeding from being held invalid because the act or proceeding was not in accordance with Chapter 3849, Special District Local Laws Code, or other law.

(b) Provides that this section does not apply to any matter that on the effective date of this Act:

(1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment; or

(2) has been held invalid by a final court judgment.

SECTION 9. Provides that 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 10. Effective date: upon passage or September 1, 2015.