BILL ANALYSIS

Senate Research Center

S.B. 1950 By: Hinojosa Business & Commerce 4/18/2015 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Hidalgo County in South Texas has more colonias than any other county in the United States. Colonias are unincorporated communities in counties that are usually characterized by poor infrastructure, lower quality homes, and higher incidences of crime. While these communities have long been neglected by the state, the actual community members within colonias are strong, determined individuals living within their means.

Over the last few sessions, various pieces of legislation have sought to address the infrastructure issues within colonias. Section 280.003, Transportation Code, currently allows counties to establish street lighting in colonia subdivisions and impose a fee on landowners who benefit from the street lights. However, some counties maintain that current statute is silent on the process of how the fees should be assessed and collected by a county tax assessor-collector.

Hidalgo County and various colonia communities reached an agreement on how the current fees authorized should be assessed and collected.

S.B. 1950 clarifies how the fees authorized should be assessed and collected and also provides the county with the authority to issue a lien in order enforce payment of the fee.

As proposed, S.B. 1950 amends current law relating to the fee collected for the provision of providing street lights in a subdivision in the unincorporated area of certain counties and the authority of said county to obtain a lien against property of a landowner to secure payment of a fee for the installation, operation, and maintenance of street lights.

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 280.003, Transportation Code, by adding Subsections (d), (e), (f), (g), and (h), as follows:

- (d) Requires the county tax assessor-collector to add the fees collected in Subsection (b) (relating to the imposition of a fee on landowners in the subdivision who benefit from the street lights) to the annual property tax statement for those land owners who benefit from the street lights, collect said fees, and transfer said fees to the county.
- (e) Authorizes the commissioners court of a county to obtain a lien against property to secure payment of a fee imposed by an order authorized by this section.
- (f) Requires the commissioners court of the county, to obtain a lien against the property to secure payment of the fee, to file a notice that contains a statement of the fee assessed, a legal description of the property sufficient to identify the property, and the name of the property owner, if known, with the county clerk of the county in which the property is located.

- (g) Provides that the county's lien to secure payment of a fee imposed by an order authorized by this section attaches when the notice of lien is filed and is inferior to a previously recorded bona fide mortgage lien attached to the real property to which the county's lien attaches, if the mortgage was filed for record in the office of the county clerk of the county in which the real property is located before the date on which the county files the notice of lien with the county clerk.
- (h) Prohibits the county which obtains a lien to secure payment of a fee imposed by an order authorized by this section from foreclosing on any property for which the only outstanding lien against that property is the lien obtained under this section.

SECTION 2. Effective date: upon passage or September 1, 2015.