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| BILL ANALYSIS |

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| C.S.H.B. 2110 |
| By: Keough |
| Urban Affairs |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE**  Interested parties assert that specific procedures are needed regarding incorporation or establishment of another form of local government for certain areas subject to a regional participation agreement. C.S.H.B. 2110 seeks to provide such procedures. |
| **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. 2110 amends the Local Government Code to set out provisions relating to procedures for incorporation or establishment of another form of local government for certain areas subject to a regional participation agreement applicable only to a district and an eligible municipality that have entered into a regional participation agreement that authorizes certain actions. The bill authorizes the governing body of a district to order an election to be held on a uniform election date and authorizes such an election, consistent with the regional participation agreement, to be ordered for the purpose of submitting to the qualified voters of the district the question of whether the territory of the district should be incorporated as a municipality, submitting to the qualified voters of a designated area of the district the question of whether that designated area should be incorporated as a municipality, submitting to the qualified voters of the district the question of whether the territory of the district should adopt a specific alternate form of local government other than a municipality, or submitting to the qualified voters of a designated area of the district the question of whether that designated area should adopt a specific alternate form of local government other than a municipality. The bill establishes that the authority of the governing body of a district to order such an election is separate and independent and is the exclusive means of ordering any such election. The bill authorizes all or any part of the territory of a district to be incorporated as a Type A, Type B, or Type C municipality, as determined by the governing body of the district ordering the incorporation election, and exempts an incorporation election from certain application and petition requirements. The bill requires the governing body of a district in an election to also submit for confirmation to the voters voting in the election the proposed initial property tax rate determined for the municipality or alternate form of government, as applicable, capped at the maximum rate authorized by law, and authorizes the governing body of a district to also submit to those voters any other measure the governing body considers necessary and convenient to effectuate the transition to a municipal or alternate form of local government. The bill provides for the ballot language.  C.S.H.B. 2110 requires the county judge of the county in which the majority of the voters in a designated area approve the proposition submitted on the form of local government to order an election for the governing body of the municipality or alternate form of local government to be held on an applicable date. The bill establishes that a municipality or alternate form of local government resulting from such an election is incorporated or established on the date a majority of the members of the governing body qualify and take office. The bill dissolves a district if a majority of the voters voting in a district-wide election approve the proposition submitted on the form of local government and establishes that the governing body of the district will serve as the temporary governing body of the municipality or alternate form of local government until a permanent governing body is elected. The bill provides for such election and other election procedures and details. |
| **EFFECTIVE DATE**  On passage, or, if the bill does not receive the necessary vote, September 1, 2017. |
| **COMPARISON OF ORIGINAL AND SUBSTITUTE**  C.S.H.B. 2110 differs from the original in minor or nonsubstantive ways by conforming to certain bill drafting conventions. |
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