

**BILL ANALYSIS**

C.S.H.B. 4287  
By: Fallon  
Natural Resources  
Committee Report (Substituted)

**BACKGROUND AND PURPOSE**

Interested parties contend that the Smiley Road Water Control and Improvement District requires additional flexibility in order to better serve the district's residents. C.S.H.B. 4287 seeks to provide this needed flexibility by authorizing the district to be divided into two or more districts, subject to certain requirements.

**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. 4287 amends the Special District Local Laws Code to remove the prohibition against the Smiley Road Water Control and Improvement District being divided into two or more districts and to instead authorize that district to be divided into two or more districts only if the district has no outstanding bonded debt and the district is not imposing property taxes, subject to certain additional requirements and voter approval at a confirmation election. The bill sets out provisions relating to the division of the district.

C.S.H.B. 4287 provides for the validation and confirmation in all respects of the creation of the Smiley Road Water Control and Improvement District and of certain district acts and proceedings effective as of the date on which the act or proceeding occurred.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 4287 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. Section 9001.104, Special	SECTION 1. Same as introduced version.

District Local Laws Code, is amended.

SECTION 2. Sections 9001.201(a), (b), and (d), Special District Local Laws Code, are amended to read as follows:

(a) The district may issue bonds as provided by [~~Chapter 49 or 51, Water Code, or Section 53.029, Water Code,~~] the general laws of this state[;] or this section, including by competitive bid, negotiated sale, or private placement.

(b) Except as provided by Subsection (c) and Section 9001.202, the district may issue bonds, notes, or other obligations [~~as provided by Section 53.029, Water Code,~~] to finance, or assist in the financing of, projects under Section 9001.105.

(d) Section 49.181, Water Code, does not apply to a bond issued under this section by the district to finance, or assist in the financing of, projects under Section 9001.105 [~~under Section 53.029, Water Code~~].

SECTION 3. (a) The following are validated and confirmed in all respects:

(1) the creation of the Smiley Road Water Control and Improvement District; and

(2) any act or proceeding of the district, including an election, not excepted by this section and taken not more than three years before the effective date of this Act, effective as of the date on which the act or proceeding occurred.

(b) This section does not apply to:

(1) an act, proceeding, director, other official, bond, or other obligation the validity of which or of whom is the subject of litigation that is pending on the effective date of this Act; or

(2) an act or proceeding that, under a statute of this state or the United States, was a misdemeanor or felony at the time the act or proceeding occurred.

SECTION 4. (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.

No equivalent provision.

SECTION 2. Same as introduced version.

No equivalent provision.

(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, the lieutenant governor, and the 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 are fulfilled and accomplished.

SECTION 5. 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, 2017.

SECTION 3. Same as introduced version.