

**BILL ANALYSIS**

C.S.H.B. 4317  
By: Bailes  
Special Purpose Districts  
Committee Report (Substituted)

**BACKGROUND AND PURPOSE**

Interested parties contend that undeveloped land located within an unincorporated area of Liberty County in the extraterritorial jurisdiction of the City of Dayton would benefit from the creation of an improvement district. C.S.H.B. 4317 seeks to provide for the creation of such a district.

**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. 4317 amends the Special District Local Laws Code to create the River Ranch Improvement District of Liberty County to provide certain improvements, projects, and services for public use and benefit. The bill provides for, among other provisions, the annexation and exclusion of land by the district, the applicability of certain competitive bidding requirements and residential property exemptions to the district, rail facilities, and the establishment of defined areas and designated property. The bill sets out the district's powers and duties, which include road district powers, navigation district powers, rural public transportation powers, and, subject to certain requirements, the authority to borrow money, impose and collect assessments, issue obligations, and impose property, operation and maintenance, and contract taxes. The bill prohibits the district from exercising the power of eminent domain.

**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. 4317 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 District Local Laws Code, is amended by

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adding Chapter 3948 to read as follows:  
CHAPTER 3948. RIVER RANCH  
IMPROVEMENT DISTRICT OF  
LIBERTY COUNTY

SUBCHAPTER A. GENERAL  
PROVISIONS

Sec. 3948.001. DEFINITIONS.

Sec. 3948.002. NATURE OF DISTRICT.

Sec. 3948.003. PURPOSE;  
DECLARATION OF INTENT.

Sec. 3948.004. FINDINGS OF BENEFIT  
AND PUBLIC PURPOSE.

Sec. 3948.005. INITIAL DISTRICT  
TERRITORY.

Sec. 3948.006. ELIGIBILITY FOR  
INCLUSION IN SPECIAL ZONES.

Sec. 3948.007. APPLICABILITY OF  
MUNICIPAL MANAGEMENT  
DISTRICTS LAW.

Sec. 3948.008. CONSTRUCTION OF  
CHAPTER.

SUBCHAPTER B. BOARD OF  
DIRECTORS

Sec. 3948.051. GOVERNING BODY;  
TERMS. (a) The district is governed by a  
board of nine voting directors who serve  
staggered terms of four years, with four or  
five directors' terms expiring June 1 of each  
odd-numbered year.

(b) The board by resolution may change the  
number of voting directors on the board if  
the board determines that the change is in  
the best interest of the district. The board  
may not consist of fewer than 5 or more  
than 15 directors.

Sec. 3948.052. APPOINTMENT OF  
VOTING DIRECTORS.

Sec. 3948.053. NONVOTING  
DIRECTORS.

Sec. 3948.054. QUORUM.

Sec. 3948.055. COMPENSATION.

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CHAPTER.

SUBCHAPTER B. BOARD OF  
DIRECTORS

Sec. 3948.051. GOVERNING BODY;  
TERMS. (a) The district is governed by a  
board of five voting directors who serve  
staggered terms of four years, with two or  
three directors' terms expiring June 1 of  
each odd-numbered year.

(b) The board by resolution may change the  
number of voting directors on the board if  
the board determines that the change is in  
the best interest of the district. The board  
may not consist of fewer than 5 or more  
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Sec. 3948.053. NONVOTING  
DIRECTORS.

Sec. 3948.054. QUORUM.

Sec. 3948.055. COMPENSATION.

Sec. 3948.056. INITIAL VOTING DIRECTORS. (a) The initial board consists of the following directors:

Pos. No. Name of Director

1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	

(b) Of the initial directors, the terms of directors appointed for positions one through five expire June 1, 2019, and the terms of directors appointed for positions six through nine expire June 1, 2021.

(c) Section 3948.052 does not apply to this section.

(d) This section expires September 1, 2021.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3948.101. GENERAL POWERS AND DUTIES.

Sec. 3948.102. IMPROVEMENT PROJECTS AND SERVICES.

Sec. 3948.103. DEVELOPMENT CORPORATION POWERS.

Sec. 3948.104. NONPROFIT CORPORATION.

Sec. 3948.105. AGREEMENTS; GRANTS.

Sec. 3948.106. LAW ENFORCEMENT SERVICES.

Sec. 3948.107. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.

Sec. 3948.108. ECONOMIC DEVELOPMENT.

Sec. 3948.109. PARKING FACILITIES.

Sec. 3948.110. ROAD DISTRICT POWERS.

Sec. 3948.111. ROAD STANDARDS AND

Sec. 3948.056. INITIAL VOTING DIRECTORS. (a) The initial board consists of the following five directors:

Pos. No. Name of Director

1.	Wayne Knox
2.	Mary H. Cody
3.	Gene Campbell
4.	Bill Gammel
5.	Christopher Brant Elliott

(b) Of the initial directors, the terms of directors appointed for positions one through three expire June 1, 2019, and the terms of directors appointed for positions four and five expire June 1, 2021.

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Sec. 3948.110. ROAD DISTRICT POWERS.

Sec. 3948.111. ROAD STANDARDS AND

REQUIREMENTS.

Sec. 3948.112. NAVIGATION DISTRICT POWERS.

Sec. 3948.113. RAIL FACILITIES.

Sec. 3948.114. RURAL PUBLIC TRANSPORTATION POWERS.

Sec. 3948.115. ANNEXATION OR EXCLUSION OF LAND.

Sec. 3948.116. NO EMINENT DOMAIN POWER.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

Sec. 3948.151. DISBURSEMENTS AND TRANSFERS OF MONEY.

Sec. 3948.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.

Sec. 3948.153. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS.

Sec. 3948.154. ASSESSMENTS; LIENS FOR ASSESSMENTS.

Sec. 3948.155. RESIDENTIAL PROPERTY NOT EXEMPT.

Sec. 3948.156. COMPETITIVE BIDDING.

Sec. 3948.157. TAX AND ASSESSMENT ABATEMENTS.

SUBCHAPTER E. TAXES AND BONDS

Sec. 3948.201. ELECTIONS REGARDING TAXES AND BONDS.

Sec. 3948.202. OPERATION AND MAINTENANCE TAX.

Sec. 3948.203. CONTRACT TAXES.

Sec. 3948.204. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS.

REQUIREMENTS.

Sec. 3948.112. NAVIGATION DISTRICT POWERS.

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Sec. 3948.205. TAXES FOR BONDS.

Sec. 3948.206. BONDS FOR ROAD PROJECTS.

SUBCHAPTER F. DEFINED AREAS

Sec. 3948.251. AUTHORITY TO ESTABLISH DEFINED AREAS OR DESIGNATED PROPERTY.

Sec. 3948.252. PROCEDURE FOR ELECTION.

Sec. 3948.253. DECLARING RESULT AND ISSUING ORDER.

Sec. 3948.254. TAXES FOR SERVICES, IMPROVEMENTS, AND FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY.

Sec. 3948.255. ISSUANCE OF BONDS FOR DEFINED AREA OR DESIGNATED PROPERTY.

SECTION 2. Sets out the metes and bounds of the 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 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

Sec. 3948.205. TAXES FOR BONDS.

Sec. 3948.206. BONDS FOR ROAD PROJECTS.

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Sec. 3948.253. DECLARING RESULT AND ISSUING ORDER.

Sec. 3948.254. TAXES FOR SERVICES, IMPROVEMENTS, AND FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY.

Sec. 3948.255. ISSUANCE OF BONDS FOR DEFINED AREA OR DESIGNATED PROPERTY.

SECTION 2. Sets out the **revised** metes and bounds of the district.

SECTION 3. Same as introduced version.

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, 2017.

SECTION 4. Same as introduced version.