

BILL ANALYSIS

C.S.H.B. 4333
By: Davis, Sarah
Special Purpose Districts
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that an area located within Harris County would benefit from the creation of an improvement district. C.S.H.B. 4333 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. 4333 amends the Special District Local Laws Code to create the Harris County Improvement District No. 24 to provide certain improvements, projects, and services for public use and benefit. The bill sets out the district's powers and duties, which include, subject to certain requirements, the authority to issue obligations, borrow money, impose and collect fees and assessments, and impose property, operation and maintenance, and contract taxes. The bill prohibits the district from exercising the power of eminent domain and from annexing land without legislative approval. The bill establishes that the City of Houston is not required to pay a district obligation.

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. 4333 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 adding Chapter 3799 to read as follows:
CHAPTER 3799. HARRIS COUNTY

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CHAPTER 3799. HARRIS COUNTY

IMPROVEMENT DISTRICT NO. 24
SUBCHAPTER A. GENERAL
PROVISIONS

SUBCHAPTER B. BOARD OF
DIRECTORS

Sec. 3799.051. GOVERNING BODY;
TERMS.

Sec. 3799.052. APPOINTMENT OF
VOTING DIRECTORS.

Sec. 3799.053. NONVOTING
DIRECTORS.

Sec. 3799.054. QUORUM.

Sec. 3799.055. INITIAL VOTING
DIRECTORS. (a) The initial board
consists of the following voting directors:

Pos. No. Name of Director

<u>1</u>	
<u>2</u>	
<u>3</u>	
<u>4</u>	
<u>5</u>	

(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.

(c) Section 3799.052 does not apply to the
initial voting directors.

(d) This section expires September 1, 2021.

SUBCHAPTER C. POWERS AND
DUTIES

Sec. 3799.101. GENERAL POWERS AND
DUTIES.

Sec. 3799.102. IMPROVEMENT
PROJECTS AND SERVICES.

Sec. 3799.103. DEVELOPMENT
CORPORATION POWERS.

Sec. 3799.104. NONPROFIT
CORPORATION. (a) The board by
resolution may authorize the creation of a
nonprofit corporation to assist and act for
the district in implementing a project or
providing a service authorized by this
chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to

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VOTING DIRECTORS.

Sec. 3799.053. NONVOTING
DIRECTORS.

Sec. 3799.054. QUORUM.

Sec. 3799.055. INITIAL VOTING
DIRECTORS. (a) The initial board
consists of the following voting directors:

Pos. No. Name of Director

<u>1</u>	<u>Harry Masterson</u>
<u>2</u>	<u>Simmi Jaggi</u>
<u>3</u>	<u>Jay Houren</u>
<u>4</u>	<u>John Wade</u>
<u>5</u>	<u>Richard Fuqua</u>

(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.

(c) Section 3799.052 does not apply to the
initial voting directors.

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SUBCHAPTER C. POWERS AND
DUTIES

Sec. 3799.101. GENERAL POWERS AND
DUTIES.

Sec. 3799.102. IMPROVEMENT
PROJECTS AND SERVICES.

Sec. 3799.103. DEVELOPMENT
CORPORATION POWERS.

be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 3799.105. AGREEMENTS; GRANTS.

(a) As provided by Chapter 375, Local Government Code, the district may make an agreement with or accept a gift, grant, or loan from any person.

(b) The implementation of a project is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 3799.106. LAW ENFORCEMENT SERVICES.

Sec. 3799.107. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3799.108. ECONOMIC DEVELOPMENT.

Sec. 3799.109. PARKING FACILITIES.

Sec. 3799.110. APPROVAL BY CITY.

Sec. 3799.111. NO ANNEXATION POWER. The district may not annex land.

Sec. 3799.112. NO EMINENT DOMAIN POWER.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

SUBCHAPTER E. TAXES AND BONDS

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

Sec. 3799.104. LAW ENFORCEMENT SERVICES.

Sec. 3799.105. ECONOMIC DEVELOPMENT.

Sec. 3799.106. PARKING FACILITIES.

Sec. 3799.107. APPROVAL BY CITY.

Sec. 3799.108. NO ANNEXATION POWER. The district may not annex land without legislative approval.

Sec. 3799.109. NO EMINENT DOMAIN POWER.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

SUBCHAPTER E. TAXES AND BONDS

SECTION 2. Same as introduced version.

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 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 3. Same as introduced version.

SECTION 4. Same as introduced version.