

BILL ANALYSIS

Senate Research Center

S.B. 390
By: Miles
Intergovernmental Relations
6/28/2019
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties contend that there is a need for a municipal management district within a certain area of northeast Houston. The Tax Cuts and Jobs Act of 2017 created federal Opportunity Zones to provide tax credits for private investment in low-income communities seeking economic revitalization. Parts of nine Opportunity Zones designated by Governor Abbott are within the boundaries of the proposed management district. S.B. 390 seeks to address the economic needs of this area by establishing provisions relating to the creation of the Northeast Houston Redevelopment District.

The substitute deletes non-standard language regarding TIRZ created by the City of Houston and removes two parcels of land originally included in the district. (Original Author's/Sponsor's Statement of Intent)

S.B. 390 amends current law relating to the creation of the Northeast Houston Redevelopment District; provides authority to issue bonds; and provides authority to impose assessments or fees.

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 Subtitle C, Title 4, Special District Local Laws Code, by adding Chapter 3961, as follows:

CHAPTER 3961. NORTHEAST HOUSTON REDEVELOPMENT DISTRICT

Sets forth standard language for the creation of the Northeast Houston Redevelopment District (district) in Harris County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 3961.0101–3961.0109);

Size, composition, appointment, compensation, and terms of the board of directors of the district, including the naming of and provisions related to initial directors (Sections 3961.0201–3961.0209);

Powers and duties of the district (Sections 3961.0301–3961.0311);

General financial provisions and authority to issue bonds and obligations for the district (Sections 3961.0401–3961.0408);

Authority to impose and collect assessments (Sections 3961.0501–3961.0503);
and

Dissolution of the district by a municipality (Section 3961.0901–3961.0904).

Prohibits the district from exercising the power of eminent domain.

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that 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. Effective date: upon passage or September 1, 2019.