BILL ANALYSIS

Senate Research Center 86R30759 SMT-F

C.S.S.B. 2470 By: Kolkhorst Intergovernmental Relations 5/3/2019 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 2470 creates the Richfield Ranch Management District of Harris County, Texas, and provides to the district authority to levy an assessment, impose a tax, and issue bonds, in order to administer and provide funding for economic development projects and services to undeveloped property in Harris County, Texas.

The committee substitute differs from the filed version of the bill by incorporating district dissolution concepts that are consistent with legislation that is currently pending before the 86th legislature.

The language in the committee substitute will require the board of the proposed district to dissolve the district upon receipt of a petition signed by owners of 66 percent or more of the assessed value or surface area in the district. Dissolution may only occur if the district does not (1) have any outstanding bonded indebtedness, (2) have ongoing financial contractual obligations, or (3) own any public facilities for which there is not a successor owner and operator.

C.S.S.B. 2470 amends current law relating to the creation of the Richfield Ranch Management District of Harris County, Texas; provides authority to issue bonds; and provides authority to impose assessments, fees, and taxes.

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 3975, as follows:

CHAPTER 3975. RICHFIELD RANCH MANAGEMENT DISTRICT OF HARRIS COUNTY, TEXAS

Sets forth standard language for the creation of the Richfield Ranch Management District of Harris County, Texas (district) in Harris County. Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district, including provisions related to eligibility for inclusion in special zones (Sections 3975.0101–3975.0109);

Size, composition, election or appointment, compensation, and terms of the board of directors of the district, including provisions relating to temporary initial directors (Sections 3975.0201–3975.0204);

Powers and duties of the district, including authority to create a nonprofit corporation (Sections 3975.0301–3975.0316);

General financial provisions and authority to impose taxes and issue bonds and obligations for the district (3975.0401–3975.0607); and

Provisions related to dissolution of the district (Section 3975.0901).

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 the laws of this state and the rules and procedures with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2019.