

BILL ANALYSIS

S.B. 2598
By: Paxton
Urban Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Local leaders in the City of McKinney have expressed a desire for an improvement district to be created in the city for the benefit of certain land, especially due to high demand for homes in the Dallas-Fort Worth Metroplex. S.B. 2598 seeks to provide for the creation of the Honey Creek Improvement District No. 1.

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

S.B. 2598 amends the Special District Local Laws Code to create the Honey Creek Improvement District No. 1 to provide certain improvements, projects, and services for public use and benefit. The bill provides for, among other provisions, the following:

- the annexation or exclusion of district land;
- disbursement or transfer of district money;
- the division of the district; and
- the dissolution of the district.

The district's powers and duties include, subject to certain requirements including consent of the City of McKinney and the request for a service or improvement by petition, the authority to borrow money, issue obligations, and impose assessments. The bill prohibits the district from imposing a property tax and exercising the power of eminent domain. The bill prohibits the district from exercising any powers under the bill's provisions until a development agreement is executed between the city and a developer of lands in the district that establishes the standards that apply to development in the district. The bill sets such provisions to expire September 1, 2024, if the agreement is not executed by that date.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2023.