

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

May 27, 2011
Date

Honorable David Dewhurst
President of the Senate

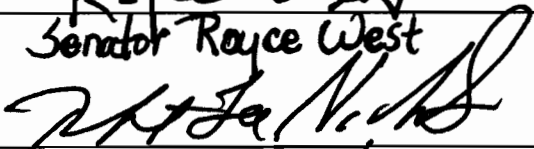
Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

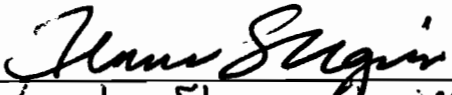
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB 1400 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.




Senator Royce West



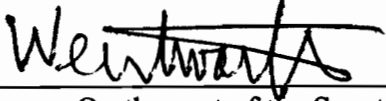
Senator Robert Nichols



Senator Florence Chapiro



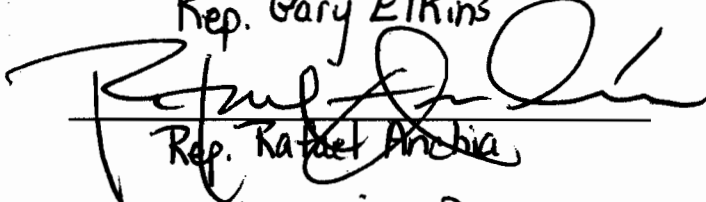
Senator Kirk Watson



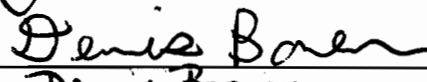
On the part of the Senate
Senator Jeff Wentworth



Rep. Gary Elkins

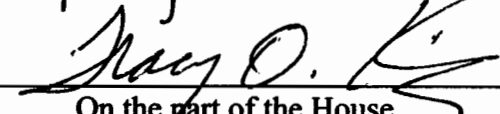


Rep. Rafael Anchia



Rep. Dennis Bonnen

Rep. Trey Martinez Fischer



On the part of the House
Rep. Tracy O. King

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

H.B. No. 1400

A BILL TO BE ENTITLED

AN ACT

1
2 relating to public improvement districts designated by a
3 municipality or county.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 372.003, Local Government Code, is
6 amended by adding Subsection (b-1) to read as follows:

7 (b-1) Payment of expenses under Subsection (b)(14) may also
8 include expenses related to the operation and maintenance of mass
9 transportation facilities.

10 SECTION 2. Subchapter A, Chapter 372, Local Government
11 Code, is amended by adding Section 372.0035 to read as follows:

12 Sec. 372.0035. COMMON CHARACTERISTIC OR USE FOR PROJECTS IN
13 CERTAIN MUNICIPALITIES. (a) This section applies only to:

14 (1) a municipality that has a population of more than
15 one million and a council-manager form of government and that is
16 located wholly or partly in a county with a population of more than
17 two million; and

18 (2) a public improvement district established under
19 this subchapter and solely composed of territory in which the only
20 businesses are hotels with 100 or more rooms ordinarily used for
21 sleeping.

22 (b) A municipality may undertake a project that confers a
23 special benefit on areas that share a common characteristic or use.
24 The areas may be noncontiguous.

1 (c) This section does not prohibit a municipality from or
2 limit a municipality to establishing a district that includes a
3 noncontiguous area authorized by this subchapter.

4 SECTION 3. Subchapter A, Chapter 372, Local Government
5 Code, is amended by adding Section 372.0055 to read as follows:

6 Sec. 372.0055. DEFERRED ASSESSMENT; ESTIMATE. If a
7 proposed improvement under Section 372.005 includes a deferred
8 assessment, before holding the hearing required by Section 372.009,
9 the governing body of the municipality or county must estimate:

10 (1) the appraised value of taxable real property
11 liable for assessment in the district; and

12 (2) the cost of the improvement.

13 SECTION 4. Section 372.017(b), Local Government Code, is
14 amended to read as follows:

15 (b) After all objections have been heard and the governing
16 body has passed on the objections, the governing body by ordinance
17 or order shall levy the assessment as a special assessment on the
18 property. The governing body by ordinance or order shall specify
19 the method of payment of the assessment. The governing body may
20 defer an assessment until a date the governing body specifies in the
21 ordinance or order. The governing body may provide that assessments
22 be paid in periodic installments, at an interest rate and for a
23 period approved by the governing body. The provision that
24 assessments be paid in periodic installments may, but is not
25 required to, result in level annual installment payments. The
26 installments must be in amounts necessary to meet annual costs for
27 improvements and must continue for:

1 (1) the period necessary to retire the indebtedness on
2 the improvements; or

3 (2) the period approved by the governing body for the
4 payment of the installments.

5 SECTION 5. Section 372.041(a), Local Government Code, is
6 amended to read as follows:

7 (a) A home-rule municipality may create improvement
8 districts for the purposes of:

9 (1) levying, straightening, widening, enclosing, or
10 otherwise improving a river, creek, bayou, stream, other body of
11 water, street, or alley;

12 (2) draining, grading, filling, and otherwise
13 protecting and improving the territory within the municipality's
14 limits; ~~and~~

15 (3) issuing bonds to finance improvements listed in
16 this subsection; and

17 (4) financing an improvement described in Subchapter
18 A.

19 SECTION 6. This Act takes effect September 1, 2011.

House Bill 1400
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

SECTION 1. Section 372.023, Local Government Code, is amended by amending Subsections (a), (d), (e), and (g) and adding Subsections (a-1) and (d-1).

No equivalent provision.

Same as Senate version.

SECTION 2. Section 372.023(f), Local Government Code, is repealed.

No equivalent provision.

Same as Senate version.

No equivalent provision.

SECTION 1. Section 372.003, Local Government Code, is amended by adding Subsection (b-1) to authorize payment of expenses incurred in the establishment, administration, and operation of a public improvement district under Subsection (b)(14) to also include expenses related to the operation and maintenance of mass transportation facilities.

SECTION 1. Same as Senate version.

No equivalent provision.

SECTION 2. Subchapter A, Chapter 372, Local Government Code, is amended by adding Section 372.0035, Common Characteristic or Use For Projects in Certain Municipalities, as follows:

SECTION 2. Same as Senate version.

(a) Makes the section applicable to a municipality that has a population of more than one million and a council-manager form of government and that is located wholly or partly in a county with a population of more than two million and a public improvement district established under this subchapter and solely composed of territory in which the only businesses are hotels with 100 or more rooms ordinarily used for sleeping.

(b) Authorizes a municipality to undertake a project that confers a special benefit on areas that share a common characteristic or use and authorizes the areas to be

House Bill 1400
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

noncontiguous.

(c) Specifies that the section does not prohibit a municipality from or limit a municipality to establishing a district that includes a noncontiguous area authorized by this subchapter.

No equivalent provision.

SECTION 3. Subchapter A, Chapter 372, Local Government Code, is amended by adding Section 372.0055, Deferred Assessment; Estimate, to require the governing body of the municipality or county to estimate, before holding the hearing required by Section 372.009, the appraised value of taxable real property liable for assessment in the district and the cost of the improvement if a proposed improvement under Section 372.005 includes a deferred assessment.

SECTION 3. Same as Senate version.

No equivalent provision.

SECTION 4. Section 372.017(b), Local Government Code, is amended to authorize the governing body to defer an assessment levied as a special assessment until a date the governing body specifies in the ordinance or order.

SECTION 4. Same as Senate version.

No equivalent provision.

SECTION 5. Subchapter A, Chapter 372, Local Government Code, is amended by adding Section 372.031, Findings Prior to Issuance of Certain Bonds or Obligations. [FA1]

Same as House version.

No equivalent provision.

SECTION 6. Section 372.041(a), Local Government Code, is amended to include financing an improvement described in Subchapter A among the purposes for which a home-rule municipality is authorized to create improvement districts.

SECTION 5. Same as Senate version.

House Bill 1400
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Section-by-Section Analysis

HOUSE VERSION

SECTION 3. Makes the bill effective on passage, or, if the bill does not receive the necessary vote, September 1, 2011.

SENATE VERSION (IE)

SECTION 7. Makes the bill effective September 1, 2011.

CONFERENCE

SECTION 6. Same as Senate version.

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 28, 2011

TO: Honorable David Dewhurst, Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1400 by Elkins (Relating to public improvement districts designated by a municipality or county.), **Conference Committee Report**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 372 of the Local Government Code relating to the boundaries and financing of public improvement districts (PIDs).

The bill would authorize payment of expenses to include expenses related to the operation and maintenance of mass transportation facilities.

The bill would add Section 372.0035 to Subchapter A that would apply only to a municipality that has a population of more than one million and a council-manager form of government and that is located wholly or partly in a county with a population of more than two million; and a public improvement district established under this subchapter and solely composed of territory in which the only businesses are hotels.

The bill would require the governing body of a municipality or a county to estimate the appraised value of taxable real property liable for assessment in the district and the cost of the improvement before holding a hearing for a proposed improvement under Section 372.005 that includes a deferred assessment.

Local Government Impact

According to the City of Grand Prairie, the city recently researched the use of deferred assessments for PIDS. The city found the costs of software too high and the revenue generated would not be sufficient to cover costs for providing services for developments.

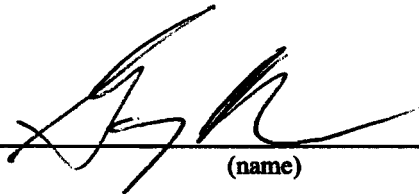
Source Agencies:

LBB Staff: JOB, KKR, TP

Certification of Compliance with Rule 13, Section 6(b), House Rules of Procedure

Rule 13, Section 6(b), House Rules of Procedure, requires that a copy of a conference committee report signed by a majority of each committee of the conference must be furnished to each member of the committee in person or if unable to deliver in person by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Section 10(a) of this rule. The paper copies of the report submitted to the chief clerk under Section 10(b) of this rule must contain a certificate that the requirement of this subsection has been satisfied, and that certificate must be attached to the printed copy of the report furnished to each member under Section 10(d) of this rule. Failure to comply with this subsection is not a sustainable point of order under this rule.

I certify that a copy of the conference committee report on H. B. 1400 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Section 10(b), Rule 13, House Rules of Procedure.



(name)

5/27/2011

(date)