

BILL ANALYSIS

C.S.H.B. 4138
By: Fletcher
Special Purpose Districts
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Harris County Improvement District No. 17 in the extraterritorial jurisdiction of the City of Tomball was created to facilitate land development using standard municipal management district and municipal utility district powers to finance roads, water, sewer, drainage, and detention project costs and also to provide a mechanism for maintenance of the same after the improvements were completed. Interested parties assert that the district would benefit from the addition of territory for the development of single family lots and an increased tax base. C.S.H.B. 4138 seeks to provide for these benefits.

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. 4138 amends the Special District Local Laws Code to make statutory municipal utility district provisions relating to the enforcement of a real property restriction applicable to the Harris County Improvement District No. 17. The bill grants the district the powers of a municipal utility district relating to services for certain defined areas and designated property, including the power to implement a plan, issue bonds, and impose a tax in a defined area. The bill dissolves the district's board of directors on the later of June 1, 2015, or the bill's effective date. The bill reconstitutes the district's board of directors on the bill's effective date, names the directors, and provides for the directors' terms and for the appointment of successor directors. The bill adds specified territory to the district.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 4138 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

SECTION 1. Subchapter C, Chapter 3891, Special District Local Laws Code, is amended.

No equivalent provision.

SECTION 2. (a) On the later of June 1, 2015, or the effective date of this Act, the board of directors of the Harris County Improvement District No. 17 is dissolved.

(b) On the effective date of this Act, the board of directors of the Harris County Improvement District No. 17 is reconstituted and is composed of the following directors:

- | Pos. No. | Name of Director |
|----------|-----------------------|
| 1 | James F. Wine |
| 2 | Joe Bullard |
| 3 | C. Laurence Allen Jr. |
| 4 | Daniel Dodson |
| 5 | Kendrick A. James |

(c) The terms of the directors in positions 1, 2, and 3 expire June 1, 2017.

(d) The terms of the directors in positions 4 and 5 expire June 1, 2019.

(e) The Harris County Commissioners Court shall appoint successor directors as provided by Section 3891.052, Special District Local Laws Code.

SECTION 3. Establishes boundaries for territory added to the Harris County Improvement District No. 17.

SECTION 4. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Same as introduced version.

SECTION 2. Subchapter D, Chapter 3891, Special District Local Laws Code, is amended by adding Section 3891.159 to read as follows:

Sec. 3891.159. POWERS OF MUNICIPAL UTILITY DISTRICT TO ESTABLISH DEFINED AREAS AND DESIGNATED PROPERTY; TAXES; BONDS. The district has the powers of a municipal utility district under Subchapter J, Chapter 54, Water Code, including the power to:

- (1) implement a plan;
- (2) issue bonds; and
- (3) impose a tax in a defined area established under that subchapter.

SECTION 3. Same as introduced version.

SECTION 4. Same as introduced version.

SECTION 5. Same as introduced version.

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 5. 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, 2015.

SECTION 6. Same as introduced version.