

## **BILL ANALYSIS**

C.S.H.B. 2332  
By: Thompson, Ed  
Special Purpose Districts  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties contend that citizens of Brazoria County would benefit from the creation of a management district on undeveloped land located within the county. C.S.H.B. 2332 seeks to provide for the creation of such a district.

### **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. 2332 amends the Special District Local Laws Code to create the Brazoria County Management District No. 1, subject to municipal consent and voter approval at a confirmation election, to provide certain improvements, projects, and services for public use and benefit. The bill provides for, among other provisions, recreational facilities and road projects, strategic partnership agreements, regional participation agreements, the annexation or exclusion of district land, and dissolution of the district. The bill sets out the district's powers and duties, which include, subject to certain requirements, the authority to issue obligations and impose assessments, sales and use, hotel occupancy, property, operation and maintenance, and contract taxes. The bill prohibits the district from exercising the power of eminent domain.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 2332 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. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3944 to read as follows:

#### **HOUSE COMMITTEE SUBSTITUTE**

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3944 to read as follows:

85R 23608

17.103.1678

Substitute Document Number: 85R 18832

CHAPTER 3944. BRAZORIA COUNTY  
MANAGEMENT DISTRICT NO. 1

SUBCHAPTER A. GENERAL  
PROVISIONS

SUBCHAPTER B. BOARD OF  
DIRECTORS

SUBCHAPTER C. POWERS AND  
DUTIES

SUBCHAPTER D. GENERAL  
FINANCIAL PROVISIONS;  
ASSESSMENTS

Sec. 3944.151. DISBURSEMENTS AND  
TRANSFERS OF MONEY.

Sec. 3944.152. MONEY USED FOR  
IMPROVEMENTS OR SERVICES

Sec. 3944.153. PETITION REQUIRED  
FOR FINANCING SERVICES AND  
IMPROVEMENTS WITH  
ASSESSMENTS. (a) The board may not  
finance a service or improvement project  
with assessments under this chapter unless a  
written petition requesting that service or  
improvement has been filed with the board.  
(b) The petition must be signed by:  
(1) the owners of a majority of the assessed  
value of real property in the district subject  
to assessment according to the most recent  
certified tax appraisal roll for the county; or  
(2) at least 50 persons who own real  
property in the district subject to  
assessment, if more than 50 persons own  
real property in the district according to the  
most recent certified tax appraisal roll for  
the county.

Sec. 3944.154. METHOD OF NOTICE  
FOR HEARING.

Sec. 3944.155. ASSESSMENTS; LIENS  
FOR ASSESSMENTS.

Sec. 3944.156. TAX AND ASSESSMENT  
ABATEMENTS.

Sec. 3944.157. UTILITY PROPERTY

CHAPTER 3944. BRAZORIA COUNTY  
MANAGEMENT DISTRICT NO. 1

SUBCHAPTER A. Same as introduced  
version.

SUBCHAPTER B. Same as introduced  
version.

SUBCHAPTER C. Same as introduced  
version.

SUBCHAPTER D. GENERAL  
FINANCIAL PROVISIONS;  
ASSESSMENTS

Sec. 3944.151. DISBURSEMENTS AND  
TRANSFERS OF MONEY.

Sec. 3944.152. MONEY USED FOR  
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Sec. 3944.156. TAX AND ASSESSMENT  
ABATEMENTS.

Sec. 3944.157. UTILITY PROPERTY

EXEMPT FROM ASSESSMENTS.

Sec. 3944.158. RESIDENTIAL PROPERTY.

Sec. 3944.159. OPERATION AND MAINTENANCE TAX.

Sec. 3944.160. CONTRACT TAXES.

Sec. 3944.161. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS.

Sec. 3944.162. TAXES FOR BONDS

Sec. 3944.163. ELECTIONS REGARDING TAXES AND BONDS.

Sec. 3944.164. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS.

Sec. 3944.165. AUDIT EXEMPTION.

SUBCHAPTER E. SALES AND USE TAX

SUBCHAPTER F. HOTEL OCCUPANCY TAX

Sec. 3944.251. DEFINITION.

Sec. 3944.253. TAX AUTHORIZED; USE OF REVENUE.

Sec. 3944.254. TAX RATE.

Sec. 3944.255. INFORMATION.

Sec. 3944.256. USE OF REVENUE. The district may use revenue from the hotel occupancy tax for any district purpose.

The district may pledge all or part of the revenue to the payment of bonds, notes, or other obligations and that pledge of revenue may be in combination with revenue from another source.

Sec. 3944.257. ABOLITION OF TAX.

EXEMPT FROM ASSESSMENTS.

Sec. 3944.158. RESIDENTIAL PROPERTY.

Sec. 3944.159. OPERATION AND MAINTENANCE TAX.

Sec. 3944.160. CONTRACT TAXES.

Sec. 3944.161. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS.

Sec. 3944.162. TAXES FOR BONDS.

Sec. 3944.163. ELECTIONS REGARDING TAXES AND BONDS.

Sec. 3944.164. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS.

Sec. 3944.165. AUDIT EXEMPTION

SUBCHAPTER E. Same as introduced version.

SUBCHAPTER F. HOTEL OCCUPANCY TAX

Sec. 3944.251. DEFINITION.

Sec. 3944.253. TAX AUTHORIZED; USE OF REVENUE.

Sec. 3944.254. TAX RATE.

Sec. 3944.255. INFORMATION.

Sec. 3944.256. USE OF REVENUE. The district may use revenue from the hotel occupancy tax for any district purpose that is an authorized use of hotel occupancy tax revenue under Chapter 351 or 352, Tax Code. The district may pledge all or part of the revenue to the payment of bonds, notes, or other obligations and that pledge of revenue may be in combination with other revenue available to the district.

Sec. 3944.257. ABOLITION OF TAX.

SUBCHAPTER G. DISSOLUTION BY BOARD

SUBCHAPTER G. Same as introduced version.

SECTION 2. The Brazoria County Management District No. 1 initially includes all the territory contained in the following area:

SECTION 2. Same as introduced version.

A METES & BOUNDS description of a certain 745.8 acre tract of land situated in the H.T.&B.R.R. Company Survey, Abstract No. 251, the A. A. Talmage Survey, Abstract No. 554, the A. A. Talmage Survey, Abstract No. 553 and the James L Holmes Heirs Survey, Abstract No. 610, all in Brazoria County, Texas and being out of a called 2856.555 acre tract of land (Tract 1) conveyed to Dee S. Osborne by the deed recorded in Volume 1159, Page 715 of the Brazoria County Deed Records, a called 98.2535 acre tract of land conveyed to Southeast Properties, Ltd by the deed recorded in Clerk's File No. 92-33050 of the Brazoria County Official Public Records and a called 109.232 acre tract of land conveyed to Southeast Properties, LTD recorded in Volume 1221, Page 362 of the Brazoria County Deed Records; said 745.8 acre tract being more particularly described as follows with all bearings being based on the Texas Coordinate System, South Central Zone, NAD 83;

COMMENCING at a found concrete monument at the northeast corner of said 98.2535 acres also being in the southerly right-of-way line of FM 1462;

THENCE, South 86°56'14" West, along the northerly line of said 98.2535 and 2856.555 acre tracts, common with the southerly right-of-way line of said FM 1462, a distance of 1005.62 feet to a set 3/4-inch iron rod (with cap stamped "Jones|Carter property corner") for the POINT OF BEGINNING of the herein described tract;

THENCE, over and across said 98.2535 and 2856.555 acre tracts the following seven (7) bearings and distances;

- 1) South 33°31'32" East, a distance of 2191.74 feet to a point for corner;
- 2) South 32°16'42" East, a distance of 473.37 feet to a point for corner;
- 3) South 33°50'21" East, a distance of 1651.19 feet to a point for corner;
- 4) South 34°22'34" East, a distance of

700.44 feet to a point for corner;  
5) South  $67^{\circ}37'10''$  East, a distance of 885.98 feet to a point for corner;  
6) South  $68^{\circ}00'23''$  East, a distance of 1178.08 feet to a point for corner;  
7) South  $67^{\circ}16'53''$  East, a distance of 1365.55 feet to the beginning of a non-tangent curve to the left;  
THENCE, continuing over and across said 2856.555 acres and along the arc of said non-tangent curve to the left having a radius of 5280.00 feet, a central angle of  $21^{\circ}24'05''$ , an arc length of 1972.22 feet, and a long chord bearing South  $51^{\circ}53'34''$  East, 1960.78 feet to a point at the beginning of a compound curve to the left;  
THENCE, continuing over and across said 2856.555 acres and along the arc of said compound curve to the left having a radius of 5280.00 feet, a central angle of  $07^{\circ}33'42''$ , an arc length of 696.84 feet, and a long chord bearing South  $48^{\circ}41'21''$  East, 696.33 feet to a set 3/4-inch iron rod (with cap stamped "Jones|Carter property corner") in the southeasterly line of said 2856.555 acre tract, common with the northwesterly line of a called 110.21 acre tract of land conveyed to Patrick D. Moller and wife, Suzanne Moller by the deed recorded in Clerk's File No. 96-005947 of the Brazoria County Official Public Records;  
THENCE, South  $59^{\circ}36'38''$  West, along the southeasterly line of said 2856.555 acre tract, common with the northwesterly lines of said 110.21 acres and a called 5440.64 acre tract of land conveyed to HRI Development Corporation by the deed recorded in Clerk's File No. 88544-596 of the Brazoria County Official Public Records, a distance of 2868.79 feet to a set 3/4-inch iron rod (with cap stamped "Jones|Carter property corner");  
THENCE over and across said 2856.555 and 109.232 acre tracts the following six (6) bearings and distances;  
1) North  $67^{\circ}38'45''$  West, a distance of 2391.22 feet to a point for corner;  
2) North  $67^{\circ}31'02''$  West, a distance of 2641.65 feet to a point for corner;  
3) North  $33^{\circ}08'38''$  West, a distance of 825.02 feet to a point for corner;  
4) North  $37^{\circ}02'29''$  West, a distance of 125.27 feet to a point for corner;  
5) North  $34^{\circ}06'46''$  West, a distance of 525.85 feet to a point for corner;

6) North 32°45'11" West, a distance of 1737.40 feet to a point for corner;  
THENCE, North 33°07'56" West, continuing over and across said 2856.55 and 109.232 acre tracts, a distance of 1574.72 feet to a set 3/4-inch iron rod (with cap stamped "Jones|Carter property corner") in a northerly line of said 2856.555 acre tract, common with the southerly line of a called 80.74 acre tract of land (Tract 2) conveyed to South Associates by the deed recorded in Volume 1420, Page 710 of the Brazoria County Deed Records;  
THENCE, North 86°55'53" East, along said common line, 256.28 feet to the southeast corner of said 80.74 acre tract also being in the westerly line of the aforementioned 109.232 acre tract;  
THENCE, North 02°27'26" West, along the westerly line of said 109.232 acre tract, common with the easterly line of said 80.74 acre tract, a distance of 2584.43 feet to a set 3/4-inch iron rod (with cap stamped "Jones|Carter property corner") at the northwest corner of said 109.232 acre tract also being in the southerly right-of-way line of said FM 1462;  
THENCE, North 87°01'47" East, along the northerly line of said 109.232 and 2856.555 acre tracts, common with the southerly right-of-way line of said FM 1462, a distance of 1590.81 feet to the POINT OF BEGINNING, CONTAINING 745.8 acres of land in Brazoria County, Texas.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been 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

SECTION 3. Same as introduced version.

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 4. 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, 2017.

SECTION 4. Same as introduced version.