

BILL ANALYSIS

Senate Research Center
86R6194 JXC-F

S.B. 390
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Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties contend that there is a need for a municipal management district within a certain area of northeast Houston. The Tax Cuts and Jobs Act of 2017 created federal Opportunity Zones to provide tax credits for private investment in low-income communities seeking economic revitalization. Parts of nine Opportunity Zones designated by Governor Abbott are within the boundaries of the proposed management district. S.B. 390 seeks to address the economic needs of this area by establishing provisions relating to the creation of the Northeast Houston Redevelopment District.

As proposed, S.B. 390 amends current law relating to the creation of the Northeast Houston Redevelopment District; provides authority to issue bonds; and provides authority to impose assessments, fees, or 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 3961, as follows:

CHAPTER 3961. NORTHEAST HOUSTON REDEVELOPMENT DISTRICT

Sets forth standard language for the creation of the Northeast Houston Redevelopment District (district). Sets forth standards, procedures, requirements and criteria for:

Creation and approval of the district (3961.0101–3961.0108);

Size, composition, election, and terms of the board of directors of the district (3961.0201–3961.0209);

Powers and duties of the district (3961.0301–3961.0311); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (3961.0403–3961.0702)

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 laws of this state and the rules and procedures of the legislature 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.