BILL ANALYSIS

C.S.H.B. 4156 By: Reynolds Special Purpose Districts Committee Report (Substituted)

BACKGROUND AND PURPOSE

Certain land within the municipal boundaries of Missouri City in Fort Bend County is undeveloped. Interested parties suggest that the land would benefit from the creation of a municipal management district to promote residential and commercial development and to provide infrastructure and supplemental services. C.S.H.B. 4156 seeks to provide for the creation of the 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. 4156 amends the Special District Local Laws Code to create the Missouri City Management District No. 2 to provide certain improvements, projects, and services for public use and benefit. The bill provides for, among other provisions, the annexation of district land and approval by the City of Missouri City of certain district actions. The district's powers and duties include, subject to certain requirements, the authorization to issue obligations and impose assessments and property, operation and maintenance, and contract taxes. The district is prohibited from exercising the power of eminent domain.

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. 4156 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

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3932 to read as follows:

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CHAPTER 3932. MISSOURI CITY
MANAGEMENT DISTRICT NO. 2
SUBCHAPTER A. GENERAL
PROVISIONS

Sec. 3932.001. DEFINITIONS.

Sec. 3932.002. NATURE OF DISTRICT.

Sec. 3932.003. PURPOSE; DECLARATION OF INTENT.

Sec. 3932.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

Sec. 3932.005. INITIAL DISTRICT TERRITORY.

Sec. 3932.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

Sec. 3932.007. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW.

Sec. 3932.008. CONSTRUCTION OF CHAPTER.

<u>SUBCHAPTER B. BOARD OF</u> <u>DIRECTORS</u>

Sec. 3932.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five voting directors who serve staggered terms of four years, with two or three directors' terms expiring June 1 of each odd-numbered year.

(b) The board by resolution may change the number of voting directors on the board if the board determines that the change is in the best interest of the district. The board may not consist of fewer than 5 or more than 11 voting directors.

Sec. 3932.052. APPOINTMENT OF VOTING DIRECTORS.

Sec. 3932.053. NONVOTING DIRECTORS.

Sec. 3932.054. QUORUM.

Sec. 3932.055. COMPENSATION.

Sec. 3932.056. INITIAL VOTING DIRECTORS. (a) The initial board consists of the following voting directors:

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<u>SUBCHAPTER</u> B. <u>BOARD</u> OF DIRECTORS

Sec. 3932.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of seven voting directors who serve staggered terms of four years, with three or four directors terms expiring June 1 of each odd-numbered year.

(b) The board by resolution may change the number of voting directors on the board if the board determines that the change is in the best interest of the district. The board may not consist of fewer than 5 or more than 11 voting directors.

Sec. 3932.052. APPOINTMENT OF VOTING DIRECTORS.

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Pos. No. Name of Director 1 2 3 4 5 (b) Of the initial directors, the terms of directors appointed for positions one through three expire June 1, 2017, and the terms of directors appointed for positions four and five expire June 1, 2019. (c) Section 3932.052 does not apply to this section.	Pos. No. Name of Director 1 John A. Van De Wiele 2 Jim Brown 3 Jack McDonald 4 Charles L. Howell, Jr. 5 Larry Pullen 6 Steven Perez 7 Rodney Griffin (b) Of the initial directors, the terms of directors appointed for positions one through four expire June 1, 2019, and the terms of directors appointed for positions five through seven expire June 1, 2017. (c) Section 3932.052 does not apply to this section.
SUBCHAPTER C. POWERS AND DUTIES Sec. 3932.101. GENERAL POWERS AND DUTIES.	SUBCHAPTER C. POWERS AND DUTIES Sec. 3932.101. GENERAL POWERS AND DUTIES.
Sec. 3932.102. IMPROVEMENT PROJECTS AND SERVICES.	Sec. 3932.102. IMPROVEMENT PROJECTS AND SERVICES.
Sec. 3932.103. DEVELOPMENT CORPORATION POWERS.	Sec. 3932.103. DEVELOPMENT CORPORATION POWERS.
Sec. 3932.104. NONPROFIT CORPORATION	Sec. 3932.104. NONPROFIT CORPORATION.
Sec. 3932.105. AGREEMENTS; GRANTS.	Sec. 3932.105. AGREEMENTS; GRANTS.
Sec. 3932.106. LAW ENFORCEMENT SERVICES.	Sec. 3932.106. LAW ENFORCEMENT SERVICES.
Sec. 3932.107. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.	Sec. 3932.107. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.
Sec. 3932.108. PARKING FACILITIES.	Sec. 3932.108. PARKING FACILITIES.
Sec. 3932.109. ANNEXATION OF LAND.	Sec. 3932.109. ANNEXATION OF LAND.
Sec. 3932.110. APPROVAL BY CITY.	Sec. 3932.110. APPROVAL BY CITY.
Sec. 3932.111. CONSENT OF CITY REQUIRED.	Sec. 3932.111. CONSENT OF CITY REQUIRED.
Sec. 3932.112. NO EMINENT DOMAIN POWER.	Sec. 3932.112. NO EMINENT DOMAIN POWER.
SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS;	SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS;

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<u>ASSESSMENTS</u>

Sec. 3932.151. DISBURSEMENTS AND TRANSFERS OF MONEY.

Sec. 3932.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.

Sec. 3932.153. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS.

Sec. 3932.154. ASSESSMENTS; LIENS FOR ASSESSMENTS.

SUBCHAPTER E. TAXES AND BONDS
Sec. 3932.201. ELECTIONS
REGARDING TAXES AND BONDS.

Sec. 3932.202. OPERATION AND MAINTENANCE TAX.

Sec. 3932.203. CONTRACT TAXES.

Sec. 3932.204. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS.

Sec. 3932.205. TAXES FOR BONDS.

Sec. 3932.206. CITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS.

SECTION 2. Establishes boundaries for the Missouri City Management District No. 2.

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

<u>ASSESSMENTS</u>

Sec. 3932.151. DISBURSEMENTS AND TRANSFERS OF MONEY.

Sec. 3932.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.

Sec. 3932.153. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS.

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Sec. 3932.205. TAXES FOR BONDS.

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SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.

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recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) 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, 2015.

SECTION 4. Same as introduced version.

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