

## **BILL ANALYSIS**

H.B. 4577  
By: Deshotel  
County Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The Chambers County Improvement District No. 1, located in the greater Baytown area, currently faces two impediments to financing infrastructure critical to the district's continued development and the provision of economic development and related employment. One impediment is a petition requirement for a bond election, which was not meant to apply to the district, and the other impediment is a certain debt limitation, which was relevant when the district was created in 1991 but is overly restrictive today. H.B. 4577 seeks to remove these impediments by revising the district's governing statutes while leaving intact applicable regulatory authority over 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**

H.B. 4577 amends the Special District Local Laws Code to exempt the Chambers County Improvement District No. 1 from a municipal management district provision that prohibits the board of directors of a district from calling a bond election unless a written petition has been filed with the board requesting an election signed by the owners of a majority of the assessed value of the property subject to assessment or taxation by the district. The bill specifies that such a petition is not required for the board of directors of the Chambers County Improvement District No. 1 to levy a tax, assessment, or impact fee to finance improvement projects and services. The bill repeals certain limitations on the amount of bonds payable from a property tax imposed over the entire district that the district may issue, including a provision that caps that amount at the greater of the following:

- \$50 million; or
- 10 percent of the assessed value of the taxable property in the entire district.

H.B. 4577 repeals Sections 3854.209(b), (c), and (d), Special District Local Laws Code.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2021.