

BILL ANALYSIS

Senate Research Center
78R11072 DRH-F

H.B. 3587
By: Callegari (Lindsay)
Natural Resources
5/24/2003
Engrossed

DIGEST AND PURPOSE

H.B. 3587 renames the Energy Corridor Management District as the Harris County Improvement District No. 4 and amends some of the related provisions in the Local Government Code.

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 the heading to Subchapter K, Chapter 376, Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, to read as follows:

SUBCHAPTER K. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 4

SECTION 2. Amends Section 376.451(a), Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, to make a conforming change.

SECTION 3. Amends Section 376.452, Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, by adding Subsection (d), to provide that by creating the district and in authorizing the City of Houston, Harris County, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

SECTION 4. Amends Section 376.453(3), Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, to make a conforming change.

SECTION 5. Amends Section 376.459, Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, by adding Subsection (d), to authorize the board, if it determines that it is in the best interest of the district, by resolution to increase or decrease the number of directors on the board except that the board may not consist of fewer than seven or more than 15 directors.

SECTION 6. Amends Section 376.461, Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, by adding Subsection (c), to provide that a nonvoting director is not included for the purpose of establishing a board quorum.

SECTION 7. Amends Section 376.464(a), Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, to authorize the district to exercise the powers given to a corporation created under Section 4B, Development Corporation Act of 1979 (Article 5190.6, V.T.C.S.), including the power to own, operate, acquire, construct, lease, improve, or maintain a project described by that section.

SECTION 8. Amends Section 376.467, Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, to prohibit the board from financing a service or improvement project with assessments under this subchapter unless a written petition requesting the improvement or service has been filed with the board. Requires the petition to be signed by the owners of a majority of the assessed value of real property in the district subject to the assessment as determined by the most recent certified county property tax rolls; or at least 25 persons who own real property, rather than land, in the district, if there are more than 25 persons who own real property in the district as determined by the most recent certified county property tax rolls.

SECTION 9. Amends Section 376.468, Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, by amending Subsection (a) and adding Subsection (c), to make conforming and nonsubstantive changes and to provide that Section 375.243 does not apply to the district.

SECTION 10. Amends Section 376.470, Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, by adding Subsection (d), to authorize the board to make a correction to or deletion from the assessment roll without notice and hearing required for an additional assessment if the correction or deletion does not increase the amount of a parcel of land.

SECTION 11. Amends Subchapter K, Chapter 376, Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, by adding Sections 376.478, 376.479, 376.480, and 376.481 to read as follows:

Sec. 376.478. **TAX AND ASSESSMENT ABATEMENTS.** Authorizes the district to grant in the manner authorized by Chapter 312, Tax Code, an abatement for a tax or assessment owed to the district.

Sec. 376.479. **MEMBERSHIP IN CHARITABLE ORGANIZATIONS.** Authorizes the district to join and pay dues to an organization that enjoys tax-exempt status under Section 501(c)(3), 501(c)(4), or 501(c)(6), Internal Revenue Code of 1986 (26 U.S.C. Section 501), as amended; and performs services or provides activities consistent with the furtherance of the purposes of the district.

Sec. 376.480. **ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.** Provides that all or any part of the area of the district is eligible to be included in a tax increment reinvestment zone created by the municipality under Chapter 311, Tax Code; a tax abatement reinvestment zone created by the municipality under Chapter 312, Tax Code; or an enterprise zone created by the municipality under Chapter 2303, Government Code.

Sec. 376.481. **ECONOMIC DEVELOPMENT PROGRAMS.** (a) Authorizes the district to establish and provide for the administration of one or more programs, including programs for making loans and grants of public money and providing personnel and services of the district, to promote state or local economic development and to stimulate business and commercial activity in the district.

(b) Provides that for purposes of this section, the district has all of the powers and authority of a municipality under Chapter 380.

SECTION 12. Repealers: Sections 376.459(c) and 376.460(b), Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001.

SECTION 13. (a) Provides that the legislature validates and confirms all acts and proceedings of the Harris County Improvement District No. 4 and the district's board of directors that occurred before the effective date of this Act.

(b) Provides that this section does not apply to any matter that on the effective date of this Act is involved in litigation, if the litigation ultimately results in the matter being held invalid by a final judgment of a court with jurisdiction; or has been held invalid by a court with jurisdiction.

SECTION 14. Effective date: upon passage or September 1, 2003.