

BILL ANALYSIS

Senate Research Center
82R3905 MXM-F

H.B. 707
By: Laubenberg (Estes)
Intergovernmental Relations
5/4/2011
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Section 372 (Improvement Districts in Municipalities and Counties), Subchapter A (Public Improvement Districts), Local Government Code, provides for the municipal creation of public improvement districts, the construction of certain public infrastructure, and the funding of such infrastructure by assessments levied upon property owners located within the boundaries of the public improvement district. Implementation of certain legislation passed pursuant to Section 372 has been problematic because of the absence of detail provided in the legislation. As a result, the Texas attorney general has been reticent to approve the issuance of bonds secured by public improvement district assessments.

This bill provides the required detail and validates certain cities' actions undertaken to create a public improvement district, including designation of improvements to be funded by public improvement district, levying of assessments to finance such improvements, and the issuance of bonds to finance such improvements.

H.B. 707 amends current law relating to the validation of certain governmental acts and proceedings of certain municipalities relating to certain public improvement districts.

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. Provides that this Act applies only to a municipality with a population of 500 or less according to the 2000 federal census.

SECTION 2. (a) Provides that all governmental acts and proceedings of a governing body of a municipality under Subchapter A (Public Improvement Districts), Chapter 372 (Improvement Districts in Municipalities and Counties), Local Government Code, taken or occurring before the effective date of this Act, to establish a public improvement district, designate improvements, levy assessments, or finance costs of improvements, are validated.

(b) Provides that this section does not apply to an act or proceeding the validity of which is the subject of litigation that is pending on the effective date of this Act, or a governmental act or proceeding that, under the law of this state at the time the act or proceeding occurred, was a misdemeanor or a felony.

SECTION 3. Effective date: upon passage or September 1, 2011.