

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 2248
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Intergovernmental Relations
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Harris County Improvement District No. 17 (district) is a management district created pursuant to Chapter 375, Local Government Code. The district was created in 2009, in the 81st regular session, to facilitate the development of acreage outside of the City of Tomball, into commercial developments. Ninety percent of the district was raw land at the time of creation. The businesses operating in the district at the time of creation were primarily oil field service service-related businesses. When created, plans did contemplate that the district would also grow through annexation and add territory that would be developed into single-family housing developments. Several such annexations have since then been approved, with development ongoing.

C.S.S.B. 2248 enables the district to establish defined areas within the district, and set tax rates commensurate with the infrastructure burdens applicable to the defined areas.

C.S.S.B. 2248 authorizes the district to adopt land use controls, to be used primarily for the residential developments, with the interest in maintaining consistent development standards for the residential developments.

Lastly, C.S.S.B. 2248 clarifies that the district will have the authority to sell park bonds in an amount greater than one percent of the overall ad valorem value of the district.

Chapter 54, Texas Water Code, provides these various authorizations. The various property owners and developers in the district support the bill. There are no known opponents.

C.S.S.B. 2248 amends current law relating to the powers of the Harris County Improvement District No. 17.

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 Subchapter C, Chapter 3891, Special District Local Laws Code, by adding Section 3891.109, as follows:

Sec. 3891.109. ENFORCEMENT OF REAL PROPERTY RESTRICTIONS. Authorizes the Harris County Improvement District No. 17 (district) to enforce a real property restriction in the manner provided by Section 54.237 (Enforcement of Real Property Restrictions), Water Code, if, in the reasonable judgment of the board, the enforcement of the restriction is necessary.

SECTION 2. Amends Section 3891.153, Special District Local Laws Code, as follows:

Sec. 3891.153. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) Creates this subsection from existing text and makes no further changes to this subsection.

(b) Provides that the limitation on the outstanding principal amount of bonds, notes, and other obligations provided by Section 49.4645 (District in Certain Counties: Bonds for Recreational Facilities), Water Code, does not apply to the district.

SECTION 3. Amends Subchapter D, Chapter 3891, Special District Local Laws Code, by adding Section 3891.159, as follows:

Sec. 3891.159. POWERS OF MUNICIPAL UTILITY DISTRICT TO ESTABLISH DEFINED AREAS AND DESIGNATED PROPERTY; TAXES; BONDS. (a) Provides that the district has the powers of a municipal utility district under Subchapter J (Services for Certain Defined Areas and Designated Property), Chapter 54 (Municipal Utility Districts), Water Code, including the power to implement a plan, issue bonds, and impose a tax in a defined area established under that subchapter.

(b) Authorizes the district to exercise the powers described by Subsection (a) regardless of whether the district is composed of the minimum number of acres provided by Section 54.801 (Authority to Establish Defined Areas or Designated Property), Water Code.

SECTION 4. Provides that all requirements of the constitution and the 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 5. Effective date: upon passage or September 1, 2017.