

## **BILL ANALYSIS**

C.S.H.B. 4706  
By: Holland  
Urban Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

It has been suggested that an area located within the extraterritorial jurisdiction of the City of Celina would benefit from the creation of a management district. C.S.H.B. 4706 seeks to provide for the creation of such a 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. 4706 amends the Special District Local Laws Code to create the North Celina Municipal Management District No. 3 to provide certain improvements, projects, and services for public use and benefit. The bill provides for, among other provisions, the addition and exclusion of land by the district under certain conditions and the division and dissolution of the district. The bill sets out the district's powers and duties, which include, subject to certain requirements, the authority to issue obligations and impose assessments and property and operation and maintenance taxes. The bill prohibits the district from exercising the power of eminent domain.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 4706 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute changes the name of the created district from the Dynavest Municipal Management District No. 1 to the North Celina Municipal Management District No. 3.

The substitute requires one of the district's directors to be appointed by the governing body of the City of Celina from a list of persons recommended by the preceding board of directors and specifies that the appointed director is not entitled to compensation for service on the board. The substitute revises provisions relating to the initial directors.

The substitute conditions the district's authority to add or exclude land on the governing body of the city approving the addition or exclusion by affirmative vote and includes a provision authorizing the district to add land only if the land is located in the city's corporate limits.

The substitute caps the number of new districts that may be created from the division of the district at four.

The substitute limits the purposes for which the district may issue obligations payable wholly or partly from assessments to financing a major public infrastructure improvement project that serves a majority of the district.

The substitute does not include a provision exempting the district from certain petition requirements for a municipal management district bond election.

The substitute does not include an authorization for the district's board to dissolve the district at any time by majority vote and revises other provisions relating to the dissolution of the district.