

BILL ANALYSIS

Senate Research Center

S.B. 13
By: Galloway
Natural Resources
4-24-97
As Filed

DIGEST

Currently, Mont Belvieu is a city located in northwestern Chambers County, about 40 miles east of Houston. Part of the city rests atop a geological formation known as the "hill," whose salt dome has developed into a petrochemical industrial complex of great value to the city and county. Some residents of the city live near production facilities, storage tanks, and transmission lines of dangerous petrochemicals. While the industrial entities of the area have taken measures to ensure safety, a risk still exists for residents and property owners due to the volatile nature of the materials produced in the area. An industrial district would allow for zoning powers which could help relocate residents and businesses to create a safer environment for Mont Belvieu citizens. This legislation creates the Chambers County Improvement District No. 2 and establishes its powers, administration, duties, and financing, in an effort to better meet the needs of Mont Belvieu citizens.

PURPOSE

As proposed, S.B. 13 establishes the creation, administration, powers, financing, and dissolution of the Chambers County Improvement District No. 2; provides for the power of certain entities to contract with the district; and grants the authority to issue bonds.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. CREATION; LEGISLATIVE DECLARATION. Creates the Chambers County Improvement District No. 2 (district), which is a governmental agency, a body politic and corporate, and a political subdivision of the state. Sets forth the terms by which the name of the district may be changed. Provides that the creation of the district is essential to accomplish certain purposes. Sets forth certain legislative declarations. Establishes that the district will not act as the agent or instrumentality of a private interest. Requires this Act to be liberally construed in conformance with the legislative findings and purposes of this Act.

SECTION 2. DEFINITIONS. Defines "board," "city," "county," "district," "nonconforming property," "purchase program," and "zoning regulations."

SECTION 3. BOUNDARIES. Provides that the district includes all of the territory contained within a certain area. Authorizes boundaries of the district to be adjusted after a hearing.

SECTION 4. FINDINGS RELATING TO BOUNDARIES. Sets forth the terms by which the legislature finds that the boundaries and field notes of the district form a closure, and provides that if a mistake is made, it does not affect the district.

SECTION 5. BOARD OF DIRECTORS. Sets forth the terms by which the district is governed by a board of directors.

SECTION 6. PURPOSES. Provides that the district is created to regulate land use; acquire, sell, lease, or otherwise dispose of property; exercise certain regulatory authority over businesses within the district; and contract with the city, county, or any other political subdivision to provide police

power regulatory services and to aid and assist those entities with one or more projects.

SECTION 7. POWERS. Provides that the district has all of the rights, powers, authority, and functions conferred by the general laws of this state applicable to districts created under Chapter 375, Government Code, which are necessary to accomplish the purposes set forth in SECTION 6. Establishes that if any provision is in conflict with or is inconsistent with this Act, this Act prevails.

SECTION 8. ADDITIONAL SPECIFIC POWERS AND DUTIES. Sets forth the district's additional specific powers and duties.

SECTION 9. TORT CLAIMS. Provides that the district is a unit of government, and that the operations of the district are essential governmental functions for all purposes and not proprietary functions.

SECTION 10. EXCLUDING TERRITORY. Establishes the conditions under which the board is authorized to exclude territory from the district if the exclusions are practicable, just, or desirable.

SECTION 11. AD VALOREM TAXES. Sets forth the terms by which the district is authorized to levy ad valorem taxes to pay the costs of acquiring property; to pay principal, interest, and the redemption price on certain bonds, notes, or other obligations; and to levy and collect an annual ad valorem tax on taxable property in the district. Prohibits the board from levying or collecting assessments.

SECTION 12. BONDS, NOTES, AND OTHER OBLIGATIONS. Establishes the conditions under which the district is authorized to issue its bonds or other obligations secured by revenues, by the levy of ad valorem taxes, grants, gifts, contracts, leases, or other combination. Sets forth the terms by which the obligations of the district are authorized to be issued in the form of bonds, notes, certificates of participation, or other obligations. Authorizes the proceeds from the sale of the bonds or other obligations, if so provided in the bond order or resolution, to be used for certain purposes.

SECTION 13. ELECTIONS. Requires an election to be called and held to confirm establishment of the district. Prohibits the board from calling another confirmation election for six months, in the event a majority of the votes cast at a confirmation election are against the creation of the district. Prohibits the district, prior to a successful confirmation, from issuing bonds or levying taxes or assessments, but provides that the district has the power to carry on such other business as the board may determine. Sets forth other provisions regarding elections.

SECTION 14. CITY APPROVAL. Requires the district to obtain the prior approval of the governing body of the city for issuance of bonds for certain improvement projects, and for plans and specifications of certain improvement projects. Provides that the city shall never be obligated to pay any bonds, notes, or other obligations, with certain exceptions.

SECTION 15. ANNEXATION. Authorizes the district to annex land upon petition of the owners and subject to city approval.

SECTION 16. CONTRACTS WITH DISTRICT. Sets forth the terms by which the district is authorized to contract with a city, county, or other political subdivision, corporation, or persons to carry out the purposes of this Act.

SECTION 17. DISSOLUTION. Establishes the conditions by which the board may elect by majority vote to dissolve the district.

SECTION 18. POWERS OF THE CITY. Provides that the creation of the district, the exercise of its powers and duties, the issuance of bonds, or the levying of taxes within its boundaries will have no effect on the power or authority of the city.

SECTION 19. NOTICE AND CONSENT. Sets forth legislative findings regarding notice and consent.

SECTION 20. Severability clause.

SECTION 21. Emergency clause.
Effective date: upon passage.