

BILL ANALYSIS

Senate Research Center

C.S.H.B. 2891
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Intergovernmental Relations
5/13/1999
Committee Report (Substituted)

DIGEST

Surrounded by the City of Houston but excluded from its corporate limits, Aldine has experienced rapid population growth along with economic decline and social change, all of which have combined to create public needs that state law does not empower a county government to serve. C.S.H.B. 2891 would create the Aldine Community Improvement District as a governmental body politic and corporate, and political subdivision of the state.

PURPOSE

As proposed, C.S.H.B. 2891 creates the Aldine Community Improvement District as a government body politic and corporate, and political subdivision of the state.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 376, Local Government Code, by adding Subchapter G, as follows:

SUBCHAPTER G. ALDINE COMMUNITY IMPROVEMENT DISTRICT

Sec. 376.261. CREATION OF DISTRICT. Provides that a special district to be known as the "Aldine Community Improvement District" (district) exists as a governmental agency, body politic and corporate, and political subdivision of the state. Authorizes the name of the district to be changed by resolution of the board of directors of the district (board). Provides that the creation of the district is essential to accomplish the purposes of Section 52, Article III, Section 59, Article XVI, and Section 52-a, Article III, Texas Constitution, and other public purposes stated in this Subchapter.

Sec. 376.262. DECLARATION OF INTENT. Sets forth the declaration of intent of the district.

Sec. 376.263. DEFINITIONS. Defines "board," "district," and "municipality."

Sec. 376.264. BOUNDARIES. Sets forth the boundaries of the district.

Sec. 376.265. FINDINGS RELATING TO BOUNDARIES. Sets forth the findings related to the boundaries.

Sec. 376.266. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. Sets forth the findings of benefit and public purpose.

Sec. 376.267. APPLICATION OF OTHER LAW. Provides that Chapter 375 applies to the district, except as otherwise provided by this subchapter.

Sec. 376.268. CONSTRUCTION OF SUBCHAPTER. Requires this subchapter to be liberally construed in conformity with the findings and purpose stated in this subchapter.

Sec. 376.269. BOARD OF DIRECTORS IN GENERAL. Sets forth the composition of the board. Provides that Chapter 375D applies to the board to the extent that subchapter does conflict

with this subchapter. Provides that the imposition of a tax, assessment, or impact fee requires a vote of a majority of the directors serving.

Sec. 376.270. APPOINTMENT OF DIRECTORS; VACANCY. Requires the county judge and members of the governing body of the county to appoint directors from persons recommended by the board who meet the qualifications of Chapter 375D. Requires a vacancy in the office of director because of the death, resignation, or removal of a director to be filled by the remaining members of the board by appointing a qualified person for the unexpired term.

Sec. 376.271. POWERS OF DIRECTORS. Sets forth the powers of the directors.

Sec. 376.272. SALES AND USE TAX. Authorizes the district to impose a sales and use tax. Authorizes revenue from the tax to be used for any purpose for which ad valorem tax revenue of the district may be used. Prohibits a district from adopting a tax under this subchapter if, as a result of the adoption of the tax, the combined rate of all sales and use taxes imposed by the county and other political subdivisions of this state that have territory in the county would exceed two percent at any location in the district.

Sec. 376.273. EMINENT DOMAIN. Prohibits the district from exercising the power of eminent domain.

Sec. 376.274. EXPENSES AND LIABILITY FOR CERTAIN ACTIONS AFFECTING PROPERTY. Requires the district to take certain action at the sole expense for the district of certain needed construction. Requires the district to bear the damages that are suffered by owners of the facility or other property.

Sec. 376.275. RELATION TO OTHER LAW. Provides that this subchapter prevails, if any provision of a law referenced in Section 376.271 is in conflict with or is inconsistent with this subchapter. Provides that any law reference in this subchapter that is not in conflict or inconsistent with this subchapter is adopted and incorporated by reference.

Sec. 376.276. REQUIREMENTS FOR FINANCING SERVICES AND IMPROVEMENTS. Sets forth certain requirements for financing services and improvements.

Sec. 376.277. NONPROFIT CORPORATION. Sets forth requirements for creating a nonprofit corporation.

Sec. 376.278. DISBURSEMENT OR TRANSFER OF FUNDS. Requires the board by resolution to establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money.

Sec. 376.279. BONDS. Sets forth requirements for the district to issue bonds.

Sec. 376.280. ASSESSMENTS. Authorizes the board to impose and collect an assessment for any purpose authorized by this subchapter. Provides that assessments, reassessments, or assessments resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, expenses of collection, and reasonable attorney's fees incurred by the district are subject to certain provisions. Provides that the lien is effective from the date of the resolution of the board levying the assessment until the assessment is paid. Authorizes the board to enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

Sec. 376.281. PROPERTY EXEMPTED FROM TAX, FEE, OR ASSESSMENT. Prohibits the district from imposing an impact fee or assessment under Chapter 375 on residential property, multi-unit residential property, or a condominium. Prohibits the district from imposing an impact fee or assessment on the property, equipment, or facilities of an electric utility as defined by Section 31.002, Utilities Code or a gas utility as defined by Section 101.003 or 121.001, Utilities Code.

Sec. 376.282. ELECTIONS. Requires the district, in addition to the elections the district must hold under Chapter 375L, to hold an election in the manner provided by that subchapter to obtain

voter approval before the district imposes a maintenance tax or issues bonds payable from ad valorem taxes or assessments. Authorizes the board to submit multiple purposes in a single proposition at an election.

Sec. 376.283. IMPACT FEES. Authorizes the district to impose an impact fee for an authorized purpose under Chapter 375G

Sec. 376.284. MAINTENANCE TAX. Authorizes the district to impose and collect an annual ad valorem tax on taxable property in the district for the maintenance and operation of the district and the improvements constructed or acquired by the district or for the provision of services. Require the board to determine the tax rate.

Sec. 376.285. DISSOLUTION OF DISTRICT. Authorizes the district to be dissolved as provided in Chapter 375M. Sets forth certain circumstance for dissolving the district.

Sec. 376.286. CONTRACTS. Sets forth the requirements for certain contracts.

Sec. 376.287. INITIAL DIRECTORS. Sets forth the initial composition of the board. Sets forth the terms for the initial directors. Provides that this section expires September 1, 2004.

Sec. 376.288. ANNEXATION OF CERTAIN TERRITORY BY GOVERNING BODY OF MUNICIPALITY. Authorizes a municipality to remove that territory from the district if the district does not have bonded indebtedness, if territory in a municipality's limit or extraterritorial jurisdiction is included in the district. Authorizes the governing body of the municipality to notify the secretary of the board of the district in writing that the territory is excluded from the district's territory. Requires the governing body of the municipality to notify the secretary of the board of the district in writing that the annexed territory is excluded from the district's territory, if a municipality annexes territory that is in its extraterritorial jurisdiction and included in the district.

SECTION 2. Sets forth the legislative findings.

SECTION 3. Emergency clause.

Effective date: upon passage.