

BILL ANALYSIS

Senate Research Center
84R19296 PAM-F

H.B. 3187
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Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties contend that technical and other changes are necessary to enable more efficient and cost-effective administration of programs under the Property Assessed Clean Energy Act. H.B. 3187 seeks to make these changes.

H.B. 3187 amends current law relating to assessments for water and energy improvements in municipalities and counties, and changes a fee.

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 Section 399.003, Local Government Code, as follows:

Sec. 399.003. EXERCISE OF POWERS. (a) Creates this subsection from existing text and makes no further change.

(b) Provides that the establishment and operation of a program under this chapter by a local government is a governmental function for all purposes.

SECTION 2. Amends Sections 399.006(b) and (c), Local Government Code, to change references to authorized official to authorized representative.

SECTION 3. Amends Section 399.007(a), Local Government Code, to change a reference to authorized local government officials to the authorized representative of the local government.

SECTION 4. Amends Sections 399.008(a) and (e), Local Government Code, as follows:

(a) Requires the governing body of a local government, to establish a program under this chapter, to take the following actions in the following order:

(1) adopt a resolution of intent that includes:

(A)-(H) Makes no change to these paragraphs; and

(I) a statement identifying the appropriate representative of the local government, rather than the appropriate local official, and the appropriate assessor-collector for purposes of consulting regarding collecting the proposed contractual assessments imposed on the assessed property, rather than the proposed contractual assessments with property taxes imposed on the assessed property;

(2) and (3) Makes no change to these subdivisions.

(e) Provides that the fees authorized by this subsection may be assessed as:

(1) a program application fee paid by the property owner requesting to participate in the program expressed as a set amount, a percentage of the amount of the assessment, or in any other manner;

(2) and (3) Makes no change to these subdivisions.

SECTION 5. Amends Sections 399.009(a) and (c), Local Government Code, as follows:

(a) Requires that the report for a proposed program required by Section 399.008 (Procedure for Establishment of Program) include:

(1)-(4) Makes no change to these subdivisions;

(5) a statement identifying a local government representative, rather than a local government official, authorized to enter into written contracts on behalf of the local government;

(6)-(16) Makes no change to these subdivisions.

(c) Requires the local government to make the report available for public inspection:

(1) Makes no change to this subsection; and

(2) at the office of the representative, rather than the office of the official, designated to enter into written contracts on behalf of the local government under the program.

SECTION 6. Amends Section 399.011, Local Government Code, by amending Subsections (a) and (b) and adding Subsection (a-1), as follows:

(a) Requires that a program established under this chapter require for each proposed qualified project:

(1) Creates this subsection from existing text and makes no further change; and

(2) a verification that a proposed qualified improvement meets the requirements of a qualified project.

(a-1) Provides that a verification provided as required under Subsection (a)(2) conclusively establishes that the improvement is a qualified improvement and the project is a qualified project.

(b) Requires the local government, after a qualified project is completed, to require written verification, rather than obtain verification, that the qualified project was properly completed and is operating as intended.

SECTION 7. Amends Section 399.014, Local Government Code, by adding Subsection (a-1), as follows:

(a-1) Prohibits the lien, after the notice of a contractual assessment is recorded as provided under Section 399.013 (Recording of Notice of Contractual Assessment Required), from being contested on the basis that the improvement is not a qualified improvement or the project is not a qualified project.

SECTION 8. Amends Sections 399.017(a) and (c), Local Government Code, as follows:

(a) Authorizes any combination of local governments to agree to jointly implement or administer a program under this chapter, including entering into an interlocal contract

under Chapter 791 (Interlocal Cooperation Contracts), Government Code, to jointly implement or administer a program.

(c) Authorizes one or more local governments to contract with a third party, including another local government, to administer a program. Authorizes local governments that are parties to an interlocal contract described by Subsection (a) to contract with an entity listed in Section 791.013 (Contract Supervision and Administration), Government Code, for program administration.

SECTION 9. Amends Chapter 399, Local Government Code, by adding Section 399.019, as follows:

Sec. 399.019. NO PERSONAL LIABILITY. Provides that the members of the governing body of a local government, employees of a local government, and board members, executives, employees, and contractors of a third party who enter into a contract with a local government to provide administrative services for a program under this chapter are not personally liable as a result of exercising any rights or responsibilities granted under this chapter.

SECTION 10. Effective date: upon passage or September 1, 2015.