

## **BILL ANALYSIS**

Senate Research Center  
84R21162 KJE-F

H.B. 648  
By: Krause (Hancock)  
Intergovernmental Relations  
5/13/2015  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Interested parties note that the Viridian Municipal Management District, which is located wholly within the corporate limits of the City of Arlington and Tarrant County, was created by the legislature several years ago. The parties report that upon completion, it is anticipated that development in the district will contain over 3,500 single-family homes and townhomes. The parties further note that the district is currently governed by an elected board of directors but contend that some directors should be appointed. H.B. 648 seeks to address this issue.

H.B. 648 amends current law relating to the selection of directors to the board of directors for the Viridian Municipal Management District.

### **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 3861.051, Special District Local Laws Code, as follows:

Sec. 3861.051. GOVERNING BODY; TERMS. (a) Provides that the Viridian Municipal Management District (district), except as provided by Section 3861.0521, is governed by a board of five directors as follows:

(1) three directors appointed by the mayor and the governing body of the city as provided by Section 3861.052(a); and

(2) two directors elected from the district at large as provided by Section 3861.052(b).

(b) Creates this subsection from existing text. Provides that directors serve staggered terms of four years, rather than serve staggered terms of four years. Makes a nonsubstantive change.

Deletes existing text providing that the district is governed by a board of five directors who serve staggered terms of four years with two or three directors' terms expiring May 31 or each even-numbered year.

SECTION 2. Amends Section 3861.052, Special District Local Laws Code, as follows:

Sec. 3861.052. New heading: APPOINTMENT OR ELECTION OF DIRECTORS. (a) Requires the mayor and members of the governing body of the city to appoint three of the directors from persons recommended by the board. Provides that a person is appointed if a majority of members and the mayor vote to appoint that person.

(b) Creates this subsection from existing text. Requires the board to hold an election to elect one director on the uniform election date in May in each even-

numbered year, rather than requiring the board to hold elections on the uniform election date in May in even-numbered years.

SECTION 3. Amends Subchapter B, Chapter 3861, Special District Local Laws Code, by adding Section 3861.0521, as follows:

Sec. 3861.0521. REQUIREMENT TO ELECT ALL DIRECTORS. (a) Requires the board to conduct a review to determine what percentage of the developable acreage in the district has been developed, not later than January 1 of each year. Requires the board by rule to establish criteria for determining whether certain acreage is developable.

(b) Requires that all five directors be selected by elections held on the uniform election date in May in even-numbered years if the board determines on conclusion of a review conducted under Subsection (a) that at least 90 percent of the developable acreage in the district has been developed and provides that Section 3861.052 (Election Date) does not apply to the district.

(c) Provides that a director appointed to the board before the board makes that determination is entitled to serve the remainder of the director's unexpired term if the board makes the determination described by Subsection (b).

(d) Requires a vacancy on the board that occurs on or after the date the board makes the determination described by Subsection (b) to be filled in the manner prescribed by Section 3861.054(b).

SECTION 4. Amends Section 3861.054, Special District Local Laws Code, as follows:

Sec. 3861.054. VACANCY. (a) Requires the mayor and members of the governing body of the city to fill the vacancy for the remainder of the director's unexpired term in the same manner as the original appointment if a vacancy occurs in the office of an appointed director.

(b) Requires the remaining directors to fill the vacancy by appointing a person who meets the qualifications prescribed by Section 3861.053 (Eligibility) if a vacancy occurs in the office of an elected director, rather than requires the remaining directors to fill a vacancy on the board by appointing a person who meets the qualifications prescribed by Section 3861.053. Requires the mayor and members of the governing body of the city to appoint the necessary number of directors who meet the qualifications prescribed by Section 3861.053 to fill all board vacancies, regardless of whether the vacating directors were appointed or elected if there are fewer than three directors. Makes nonsubstantive changes.

SECTION 5. Amends Section 3861.203, Special District Local Laws Code, as follows:

Sec. 3861.203. New heading: APPOINTMENT OF DIRECTORS OF NEW DISTRICTS. (a) Requires the mayor and members of the governing body of the city, not later than the 90th day after the date of an election in favor of the division of the district, to:

(1) appoint the board of the original district as the board of one of the new districts, rather than appoint itself as the board of one of the new districts; and

(2) appoint five directors for each of the other new districts in the manner prescribed by Section 3861.052(a).

(b) Provides that directors appointed under Subsection (a)(1) serve the remainder of the terms, rather than staggered terms, to which they were appointed or elected in the original district. Provides that, notwithstanding Section 3861.053, a director appointed under Subsection (a)(1) is eligible to serve only if the director owns

land inside the area described by the boundaries of the original district. Provides that directors appointed under Subsection (a)(2) serve until May 31 of the first even-numbered year after the year in which the directors are appointed, rather than provides that directors appointed under Subsection (a)(2) serve until the election for directors under Subsection (c).

(c) Requires the appointed board to hold an election to elect two, rather than five, directors and requires the mayor and members of the governing body of the city to appoint three directors in the manner prescribed by Section 3861.052(a) in each district for which directors were appointed under Subsection (a)(2), on the uniform election date in May of the first even-numbered year after the year in which the directors are appointed.

(d) Provides that Section 3861.0521 applies to a new district in the same manner as that section applies to the original district.

Deletes existing text requiring the directors to draw lots to determine which two shall serve until the next regularly scheduled election of directors and which three shall serve until the second regularly scheduled election of directors.

SECTION 6. (a) Requires a member of a member of a board of directors who was elected under Section 3861.052 or 3861.203 (Election of Directors of New Districts), Special District Local Laws Code, or appointed to fill a vacancy under Section 3861.054, Special District Local Laws Code, before the effective date of this Act to continue to serve until the expiration of the member's term. Requires the mayor and members of the governing body of the city to fill an appropriate number of the vacancies by appointment so that the board consists of three appointed directors and two elected directors as required by Section 3861.052, Special District Local Laws Code, as amended by this Act as members' terms expire.

(b) Provides that the mayor and members of the governing body of the city may make the appointments permitted by Section 3861.052(a), Special District Local Laws Code, as amended by this Act, to fill a vacancy occurring on the board of directors on or after the effective date of this Act.

SECTION 7. Effective date: September 1, 2015.