

BILL ANALYSIS

Senate Research Center
85R13816 JCG-D

H.B. 3504
By: Miller (Kolkhorst)
Intergovernmental Relations
5/12/2017
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 3504 amends the Local Government Code to authorize the governing body of a county assistance district (CAD) created by a county with a population of more than 580,000 that borders a county with a population of more than four million (Fort Bend County) by order to include in the district a portion of a public right-of-way, and county-owned property that is being used for a public purpose, that is located in a municipality located in the county that created the district, and whose inclusion is consented to by the municipality.

H.B. 3504 expands the purposes for which a CAD may use available money from the performance of maintenance or improvement on a road and the associated drainage areas included in the district to the performance of any function of the CAD under county assistance district provisions on a road or public right-of-way, including associated drainage areas, or any property included in the CAD.

Under current statute, CAD's sales tax revenue cannot be used to fund county facilities like parks, libraries, and county offices within the city limits of a city. This legislation allows a CAD, with permission of the city, to use CAD sales tax revenue to fund county facilities within the city's city limits, saving the county from having to allocate AV taxes to these projects when they could be funded through the use of CAD funding.

Counties will be able to utilize CAD funding, possibly avoiding the use of AV taxes or calling for bond elections to fund various facility projects. The language is permissive. Cities have the right to deny counties the inclusion of roads or facilities in CADs if the roads/facilities fall within city limits.

H.B. 3504 amends current law relating to the authority of certain county assistance districts to annex public rights-of-way and county-owned property.

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 the heading to Section 387.0031, Local Government Code, to read as follows:

Sec. 387.0031. INCLUSION OF ROADS OR COUNTY PROPERTY IN CERTAIN DISTRICTS.

SECTION 2. Amends Section 387.0031, Local Government Code, by amending Subsections (b) and (c) and adding Subsection (b-1), as follows:

(b) Authorizes the governing body of a county assistance district (CAD) by order to include in the CAD a portion of a road or public right-of-way, including associated drainage areas, or county-owned property that is being used for a public purpose if the road, public right-of-way, or county-owned property is located in a municipality located

in the county that created the CAD and the municipality consents to the inclusion, rather than authorizes the governing body of a CAD by order to include in the CAD a portion of a road, including associated drainage areas, that is located in a municipality located in the county that created the district if the municipality consents to the inclusion.

(b-1) Creates this subsection from existing text. Provides that an election is not required to approve an order described by Subsection (b), rather than by this subsection.

(c) Authorizes the CAD to use money available to the CAD to perform any function of the CAD under this chapter (County Assistance District) on a road or public right-of-way, including associated drainage areas, or any property included in the CAD in accordance with this section, rather than to perform maintenance or improvement on a road and the associated drainage areas included in the CAD in accordance with this section.

SECTION 3. Effective date: September 1, 2017.