

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 4303
By: Burns (Birdwell)
Intergovernmental Relations
5/22/2017
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 4303 amends the Special District Local Laws Code to create the Prairie Ridge Municipal Management District No. 1 (district), subject to voter approval at a confirmation election, to provide certain improvements, projects, and services for public use and benefit. The bill provides for, among other provisions, public improvement district powers, contract powers, and district eligibility for inclusion in special zones under the Tax Code. The bill also provides for the annexation or exclusion of district land, division of the district, and dissolution of the district. The district's powers and duties include, subject to certain requirements, the authorization to impose assessments and the power to issue obligations secured by ad valorem taxes, assessments, or any other district source of revenue. Voter approval at an election is required for the district to impose an ad valorem tax or operation and maintenance tax. The bill provides for a limited power of eminent domain; however, if the bill does not receive a two-thirds vote in each house, the district will have no power of eminent domain.

H.B. 4303 prohibits the district from providing retail water or sewer services. The district may only use bond proceeds to maintain or repair existing improvements upon city approval. (Original Author's / Sponsor's Statement of Intent)

C.S.H.B. 4303 amends current law relating to the creation of the Prairie Ridge Municipal Management District No. 1 and to the correction of defined terms in the law governing the Joshua Farms Municipal Management District No 1 and the laws governing the Joshua Farms Municipal Management District No. 2, provides authority to issue bonds, provides authority to impose assessments, fees, or taxes, and grants a limited power of eminent domain.

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 3926.001(2), Special District Local Laws Code, to redefine "city" to mean the City of Cleburne, rather than the City of Burleson, Texas.

SECTION 2. Amends Section 3929.001(2), Special District Local Laws Code, to redefine "city" to mean the City of Burleson, rather than the City of Cleburne, Texas.

SECTION 3. Amends Subtitle C, Title 4, Special District Local Laws Code, by adding Chapter 3954, as follows:

CHAPTER 3954. PRAIRIE RIDGE MUNICIPAL MANAGEMENT DISTRICT NO. 1

Sets forth standard language for the creation of the Prairie Ridge Municipal Management District No. 1 (district) in the City of Grand Prairie (city). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 3954.001-3954.050);

Size, composition, appointment, compensation, and terms of the board of directors of the district, including the naming of the initial directors (Sections 3954.051-3954.100);

Powers and duties of the district (Sections 3954.101-3954.150);

General financial provisions and authority to impose a tax and issue bonds and obligations for the district (Sections 3954.151-3954.250); and

Dissolution of the district by the city (Sections 3954.251-3954.253).

Authorizes the district to exercise the power of eminent domain in the manner and for the purposes provided by Section 49.222 (Eminent Domain), Water Code, except that the district is prohibited from acquiring by condemnation a property interest or facility owned or controlled by a public entity.

SECTION 4. Sets forth the initial boundaries of the district.

SECTION 5. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 6. (a) Provides that Section 3954.104, Special District Local Laws Code, as added by this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) Provides that, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 3954, Special District Local Laws Code, as added by this Act, is amended by adding Section 3954.104, as follows:

Sec. 3954.104. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(c) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c) (relating to authorizing the legislature to enact a general, local, or special law granting the power of eminent domain to an entity), Article I (Bill of Rights), Texas Constitution.

SECTION 7. Effective date: September 1, 2017.