

AN ACT

relating to the powers and duties, authority to issue bonds, and authority to impose a tax of the SH130 Municipal Management District No. 1.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 3971.0101, Special District Local Laws Code, is amended to read as follows:

Sec. 3971.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "City" means the City of Austin.

(3) "County" means Travis County.

(4) "Director" means a board member.

(5) [~~4~~] "District" means the SH130 Municipal Management District No. 1.

SECTION 2. Sections 3971.0103(b) and (d), Special District Local Laws Code, are amended to read as follows:

(b) By creating the district and in authorizing the city, the county, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(d) This chapter and the creation of the district may not be interpreted to relieve the city or the county from providing the level of services provided as of the effective date of the Act

1 enacting this chapter to the area in the district. The district is  
2 created to supplement and not to supplant city or county services  
3 provided in the district.

4 SECTION 3. Section 3971.0304, Special District Local Laws  
5 Code, is amended to read as follows:

6 Sec. 3971.0304. LAW ENFORCEMENT SERVICES. To protect the  
7 public interest, the district may contract with a qualified party,  
8 including the city or the county, to provide law enforcement  
9 services in the district for a fee.

10 SECTION 4. Subchapter C, Chapter 3971, Special District  
11 Local Laws Code, is amended by adding Section 3971.0311 to read as  
12 follows:

13 Sec. 3971.0311. AUTHORITY TO ESTABLISH DEFINED AREAS OR  
14 DESIGNATED PROPERTY. (a) Notwithstanding the acreage requirement  
15 under Section 54.801(a), Water Code, the district may define areas  
16 or designate certain property of the district as provided by  
17 Subchapter J, Chapter 54, Water Code, to pay for improvements,  
18 facilities, or services that primarily benefit that area or  
19 property and do not generally and directly benefit the district as a  
20 whole.

21 (b) Section 54.813, Water Code, does not apply to the  
22 district.

23 SECTION 5. Subchapter D, Chapter 3971, Special District  
24 Local Laws Code, is amended by adding Section 3971.0403 to read as  
25 follows:

26 Sec. 3971.0403. CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT.  
27 Section 375.161, Local Government Code, does not apply to the

1 district.

2 SECTION 6. Section 3971.0506, Special District Local Laws  
3 Code, is amended to read as follows:

4 Sec. 3971.0506. BONDS AND OTHER OBLIGATIONS FOR IMPROVEMENT  
5 UNDER AGREEMENT. If the improvements financed by an obligation  
6 will be conveyed, ~~to or~~ operated and maintained, or otherwise  
7 financed ~~[by a municipality or retail utility provider]~~ pursuant to  
8 an agreement between the district and the county, a municipality,  
9 or a retail utility provider entered into before the issuance of the  
10 obligation, the obligation may be in the form of bonds, notes, or  
11 other obligations payable wholly or partly from assessments, issued  
12 by public or private sale, in the manner provided by Subchapter A,  
13 Chapter 372, Local Government Code.

14 SECTION 7. Section 3971.0507, Special District Local Laws  
15 Code, is amended to read as follows:

16 Sec. 3971.0507. CONSENT OF MUNICIPALITY OR COUNTY REQUIRED.

17 (a) The board may not issue bonds until the governing body of  
18 either a ~~[each]~~ municipality in whose corporate limits or  
19 extraterritorial jurisdiction the district is located or the county  
20 in which the district is located has consented by ordinance, ~~[or]~~  
21 resolution, or order to the creation of the district and to the  
22 inclusion of land in the district.

23 (b) This section applies only to the district's first  
24 issuance of bonds payable from ad valorem taxes.

25 SECTION 8. Sections 3971.0602(a) and (b), Special District  
26 Local Laws Code, are amended to read as follows:

27 (a) The district may adopt a sales and use tax if:

1           (1) the city or the county consents to the adoption of  
2 the tax; and

3           (2) the tax is authorized by a majority of the voters  
4 of the district voting at an election held for that purpose.

5           (b) Subject to city or county consent under Subsection (a),  
6 the board by order may call an election to authorize the adoption of  
7 the sales and use tax. The election may be held on any uniform  
8 election date and in conjunction with any other district election.

9           SECTION 9. Section 3971.0702(a), Special District Local  
10 Laws Code, is amended to read as follows:

11           (a) For the purposes of this subchapter:

12                 (1) a reference in Chapter 351, Tax Code, to a  
13 municipality is a reference to the district and a reference in  
14 Chapter 351, Tax Code, to the municipality's officers or governing  
15 body is a reference to the board;

16                 (2) a reference in Chapter 352, Tax Code, to a county  
17 is a reference to the district; and

18                 (3) [~~2~~] a reference in Chapter 352, Tax Code, to the  
19 commissioners court is a reference to the board.

20           SECTION 10. Section 3971.0703(a), Special District Local  
21 Laws Code, is amended to read as follows:

22           (a) The district may not impose a hotel occupancy tax unless  
23 the city or the county consents to the imposition.

24           SECTION 11. (a) The legal notice of the intention to  
25 introduce this Act, setting forth the general substance of this  
26 Act, has been published as provided by law, and the notice and a  
27 copy of this Act have been furnished to all persons, agencies,

1 officials, or entities to which they are required to be furnished  
2 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
3 Government Code.

4 (b) The governor, one of the required recipients, has  
5 submitted the notice and Act to the Texas Commission on  
6 Environmental Quality.

7 (c) The Texas Commission on Environmental Quality has filed  
8 its recommendations relating to this Act with the governor,  
9 lieutenant governor, and speaker of the house of representatives  
10 within the required time.

11 (d) All requirements of the constitution and laws of this  
12 state and the rules and procedures of the legislature with respect  
13 to the notice, introduction, and passage of this Act have been  
14 fulfilled and accomplished.

15 SECTION 12. (a) The following are validated and confirmed  
16 in all respects:

17 (1) the creation of the SH130 Municipal Management  
18 District No. 1; and

19 (2) any act or proceeding of the district, including  
20 an election, not excepted by this section and taken not more than  
21 three years before the effective date of this Act, effective as of  
22 the date on which the act or proceeding occurred.

23 (b) This section does not apply to:

24 (1) an act, proceeding, director, other official,  
25 bond, or other obligation the validity of which or of whom is the  
26 subject of litigation that is pending on the effective date of this  
27 Act; or

1           (2) an act or proceeding that, under a statute of this  
2 state or the United States, was a misdemeanor or felony at the time  
3 the act or proceeding occurred.

4           SECTION 13. This Act takes effect immediately if it  
5 receives a vote of two-thirds of all the members elected to each  
6 house, as provided by Section 39, Article III, Texas Constitution.  
7 If this Act does not receive the vote necessary for immediate  
8 effect, this Act takes effect September 1, 2021.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3135 was passed by the House on May 8, 2021, by the following vote: Yeas 107, Nays 32, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3135 was passed by the Senate on May 27, 2021, by the following vote: Yeas 30, Nays 1.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor