

By: Bucy

H.B. No. 5359

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the approval and creation of the Williamson County  
3 Development District No. 1; and to the administration, powers,  
4 duties, operation, and financing of the district, including the  
5 authority to impose an assessment, a tax, and issue bonds.

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

7 SECTION 1. LEGISLATIVE FINDINGS.(a) The legislature finds  
8 that the creation of Williamson County Development District No. 1  
9 (the "district") will serve the public purpose of promoting  
10 economic activity and employment and attracting visitors in the  
11 manner contemplated by Section 52-a, Article III Constitution and  
12 Chapter 383, Local Government Code.

13 (b) The legislature further finds that economic development  
14 is an essential function and purpose of the district.

15 (c) All of the land or public improvements within the  
16 district will be benefited by the works and projects that are to be  
17 achieved by the district are essential to accomplish the purposes  
18 of Sections 52-a and 52, Article III, and Section 59, Article XVI,  
19 Texas Constitution and other public purposes stated in this Act.  
20 The district services a public use and benefit.

21 (d) A legislative finding made under this Act is conclusive  
22 and the district is not required to offer proof of the purpose of  
23 results before exercising a power granted by this Act.

24 SECTION 2. Subtitle C, Title 4, Special District Local Laws

1 Code, is amended by adding Chapter 3990 to read as follows:

2 CHAPTER 3990. WILLIAMSON COUNTY DEVELOPMENT DISTRICT NO. 1

3 SUBCHAPTER A. GENERAL PROVISIONS

4 Sec. 3990.001. DEFINITIONS. In this chapter:

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

6 (2) "county" means Williamson County.

7 (2) "director" means a board member.

8 (3) "district" means the Williamson County  
9 Development District No. 1.

10 Sec. 3990.002. NATURE OF DISTRICT. The Williamson County  
11 Development District No. 1 is created as a county development  
12 district with all the rights, powers, privileges, authority,  
13 functions and duties provided by Chapter 383, Local Government  
14 Code.

15 Sec. 3990.003. PURPOSE; DECLARATION OF INTENT. (a) The  
16 principal function of the district is to provide for and facilitate  
17 economic development, increase employment and to attract visitors  
18 to Williamson County. The creation of the district is essential to  
19 accomplish the purposes of Sections 52 and 52-a, Article III, and  
20 Section 59, Article XVI, Texas Constitution, and other public  
21 purposes stated in this chapter. By creating the district and in  
22 authorizing Williamson County and other political subdivisions to  
23 contract with the district, the legislature has established a  
24 program to accomplish the public purposes set out in Section 52-a,  
25 Article III, Texas Constitution.

26 (b) The creation of the district is necessary to promote,  
27 develop, encourage, and maintain employment, commerce,

1 transportation, housing, tourism, recreation, the arts,  
2 entertainment, economic development, safety, and the public  
3 welfare in the district.

4 Sec. 3990.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
5 The district is created to serve a public use and benefit.

6 (b) All land and other property included in the district  
7 will benefit from the improvements and services to be provided by  
8 the district under powers conferred by this chapter.

9 (c) The creation of the district is in the public interest  
10 and is essential to:

11 (1) further the public purposes of developing and  
12 diversifying the economy of the state;

13 (2) eliminate unemployment and underemployment; and

14 (3) develop or expand transportation and commerce.

15 (d) The district will:

16 (1) promote the health, safety, and general welfare of  
17 residents, employers, potential employees, employees, visitors,  
18 and consumers in the district, and of the public;

19 (2) provide needed funding for the district to  
20 preserve, maintain, and enhance the economic health and vitality of  
21 the district territory as a community and business center; and

22 (3) promote the health, safety, welfare, and enjoyment  
23 of the public by providing pedestrian ways and by landscaping and  
24 developing certain areas in the district, which are necessary for  
25 the restoration, preservation, and enhancement of scenic beauty.

26 (f) The district will not act as the agent or  
27 instrumentality of any private interest even though the district

1 will benefit many private interests as well as the public.

2 Sec. 3990.005. DISTRICT TERRITORY. (a) The district is  
3 composed of the territory described by Section 3 of the Act enacting  
4 this chapter.

5 (b) The boundaries and field notes contained in Section 3 of  
6 the Act enacting this chapter form a closure. A mistake in the field  
7 notes or in copying the field notes in the legislative process does  
8 not affect the district's:

9 (1) organization, existence, or validity;

10 (2) right to issue any type of bond for the purposes  
11 for which the district is created or to pay the principal of and  
12 interest on the bond;

13 (3) right to impose or collect an assessment or tax; or

14 (4) legality or operation.

15 Sec. 3990.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

16 All or any part of the area of the district is eligible to be  
17 included in:

18 (1) a tax increment reinvestment zone created under  
19 Chapter 311, Tax Code;

20 (2) a tax abatement reinvestment zone created under  
21 Chapter 312, Tax Code; or

22 (3) an enterprise zone created under Chapter 2303,  
23 Government Code.

24 Sec. 3990.007. APPLICABILITY OF MUNICIPAL MANAGEMENT  
25 DISTRICTS LAW. Except as otherwise provided by this chapter,  
26 Chapter 375, Local Government Code, applies to the district.

27 Sec. 3990.008. LIBERAL CONSTRUCTION OF CHAPTER. This

1 chapter shall be liberally construed in conformity with the  
2 findings and purposes stated in this chapter.

3 [Sections 3990.009-3990.050 reserved for expansion]

4 SUBCHAPTER B. BOARD OF DIRECTORS

5 Sec. 3990.051. GOVERNING BODY; TERMS. The district is  
6 governed by a board of five directors who serve staggered terms of  
7 four years, with two or three directors' terms expiring June 1 of  
8 each odd-numbered year.

9 Sec. 3990.052. INITIAL DIRECTORS. (a) The initial  
10 directors shall be: 1. [NAME]

11 2. [NAME]

12 3. [NAME]

13 4. [NAME]

14 5. [NAME]

15 (b) Of the initial directors, the terms of directors  
16 appointed for positions 1 through 3 expire June 1, 2025, and the  
17 terms of directors appointed for positions 4 and 5 expire June 1,  
18 2027.

19 (c) Prior to the expiration of a director's term or upon a  
20 vacancy, the board of directors shall present the name of a  
21 qualified candidate to the county commissioners court. If the  
22 commissioners find the candidate to be qualified, the candidate  
23 shall be named to the board of directors. If the commissioners court  
24 does not find the candidate to be qualified, the court shall notify  
25 the board of directors to submit an alternate candidate.

26 Sec 3990.053. QUALIFICATIONS OF DIRECTOR. (a) To be qualified  
27 to serve as a director, a person must be at least 21 years of age, a

1 resident citizen of the state, and either a qualified voter of the  
2 county or a property owner in the district.

3 Sec. 3990.054 QUORUM. For purposes of determining the  
4 requirements for a quorum of the board, the following are not  
5 counted:

6 (1) a board position vacant for any reason, including  
7 death, resignation, or disqualification; or

8 (2) a director who is abstaining from participation in  
9 a vote because of a conflict of interest.

10 Sec. 3990.055. COMPENSATION. A director is entitled to  
11 receive fees of office and reimbursement for actual expenses as  
12 provided by Section 49.060, Water Code. Sections 375.069 and  
13 375.070, Local Government Code, do not apply to the board.

14 [Sections 3990.056-3990.99 reserved for expansion]

15 SUBCHAPTER C. POWERS AND DUTIES

16 Sec. 3990.100. DISTRICT POWERS. (a) The district has all of  
17 the rights, powers, privileges, authority, functions, and duties  
18 provided by Chapters 375 and 383, Local Government Code, to county  
19 development districts and municipal management districts and by  
20 Chapters 49 and 54, Water Code, to municipal utility districts.

21 (b) The district's rights, powers, privileges, authority,  
22 functions, and duties include, but are not limited to:

23 (1) all of the rights, powers, privileges, authority,  
24 functions, and duties provided by Chapters 49 and 54, Water Code, to  
25 municipal utility districts, except that the district may not  
26 provide utility services;

27 (2) the authority, after approval by voters at an

1 election conducted within the boundaries of the district, to levy,  
2 assess and collect taxes for maintenance and operating purposes in  
3 the manner set forth in Sections 49.107(a)-(e), Water Code, and for  
4 the repayment of bonds, notes, warrants, lease purchase agreements,  
5 certificates of assessment, certificates of participation in lease  
6 purchase agreements, and other interest bearing obligations in the  
7 manner set forth in Sections 49.106(a)-(d), Water Code, and for all  
8 of the purposes for which the district may expend funds;

9           (3) to establish, levy and collect special assessments  
10 in the manner specified in Sections 375.111-.124, Local Government  
11 Code;

12           (4) to utilize funds, whether the funds are derived  
13 from ad valorem taxes, sales and use taxes, hotel occupancy taxes,  
14 assessments, revenues from the project, or any other sources for  
15 the payment of projects or services in the manner authorized by  
16 Section 375.181, Local Government Code, Chapter 383, Local  
17 Government Code, and Chapter 54, Water Code;

18           (5) to enter into obligations, including by not  
19 limited to, lease purchase agreements, certificates of  
20 participation, general obligation bonds and notes, revenue bonds  
21 and notes, and combination general obligation and revenue bonds and  
22 notes, and other interest bearing obligations, in the manner  
23 specified in Sections 375.201-375.205, Local Government Code;

24           (6) to exercise all of the rights, powers, and  
25 authority of a road district, a municipal management district, a  
26 municipal utility district and a water control and improvement  
27 district which are not specifically contradicted by Chapter 383,

1 Local Government Code;

2 (7) to exercise the rights, powers and authority given  
3 to a development corporation under Chapter 505, Local Government  
4 Code, including the power to own, operate, acquire, construct,  
5 lease, improve, or maintain a project described by that chapter;

6 (8) to provide for public improvements as described in  
7 Section 372.003(b), Texas Local Government Code.

8 (9) to exercise all of the rights, powers, and  
9 authority granted to the district by this Act, all of the rights,  
10 powers, and authority granted to the district by Chapters 383 and  
11 375, Local Government Code, and to a municipal utility district by  
12 Chapters 49 and 54, Water Code, which are not contrary to this Act,  
13 to finance, construct or acquire public improvements in the  
14 district, including costs of issuance of obligations of the  
15 district.

16 (10) except as provided by Sec. [ ] .107, to adopt the  
17 powers of a road district under Section 52(b)(3), Article III,  
18 Texas Constitution, in the manner specified in Sections 53.029(c)  
19 and (d), Water Code

20 Sec. 3990.102. AGREEMENTS; GRANTS. (a) The district may  
21 make an agreement with, or accept a gift, grant, or loan from, any  
22 person.

23 (b) The implementation of a project is a governmental  
24 function or service for the purposes of Chapter 791, Government  
25 Code.

26 Sec. 3990.103. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT  
27 SERVICES. To protect the public interest, the district may

1 contract with a qualified person, including the County or a  
2 municipality, for the provision of law enforcement services in the  
3 district for a fee.

4 Sec. 3990.104. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The  
5 district may join and pay dues to a charitable or nonprofit  
6 organization that performs a service or provides an activity  
7 consistent with the furtherance of a district purpose.

8 Sec. 3990.105. ECONOMIC DEVELOPMENT PROGRAMS. (a) The  
9 district may establish and provide for the administration of one or  
10 more programs to promote state or local economic development and to  
11 stimulate business and commercial activity in the district,  
12 including programs to:

13 (1) make loans and grants of public money; and

14 (2) provide district personnel and services.

15 (b) The district has all of the powers of a municipality  
16 under Chapter 380, Local Government Code.

17 Sec. 3990.106. STRATEGIC PARTNERSHIP AGREEMENT. The  
18 district may negotiate and enter into a written strategic  
19 partnership with a municipality under Section 43.0751, Local  
20 Government Code.

21 Sec. 3990.107. ROAD STANDARDS. (a) A road project must meet  
22 all applicable construction standards, zoning and subdivision  
23 requirements, and regulations of each municipality in whose  
24 corporate limits or extraterritorial jurisdiction the road project  
25 is located.

26 (b) If a road project is not located in the corporate limits  
27 or extraterritorial jurisdiction of a municipality, the road

1 project must meet all applicable construction standards,  
2 subdivision requirements and regulations of each county in which  
3 the road project is located.

4 (c) If the state will maintain and operate the road, the  
5 Texas Transportation Commission must approve the plans and  
6 specifications for the project.

7 Sec. 3990.108. NO EMINENT DOMAIN. The district may not  
8 exercise the power of eminent domain.

9 [Sections 3990.109-3990.150 reserved for expansion]

10 SUBCHAPTER D. PUBLIC PARKING FACILITIES

11 Sec. 3990.151. PARKING FACILITIES AUTHORIZED; OPERATION BY  
12 PRIVATE ENTITY. (a) The district may acquire, lease as lessor or  
13 lessee, construct, develop, own, operate, and maintain parking  
14 facilities or a system of parking facilities, including:

15 (1) lots, garages, parking terminals, or other  
16 structures or accommodations for parking motor vehicles off the  
17 streets; and

18 (2) equipment, entrances, exits, fencing, and other  
19 accessories necessary for safety and convenience in parking  
20 vehicles.

21 (b) A parking facility of the district may be leased to or  
22 operated on behalf of the district by an entity other than the  
23 district.

24 (c) The district's parking facilities are a program  
25 authorized by the legislature under Section 52-a, Article III,  
26 Texas Constitution.

27 (d) The district's parking facilities serve the public

1 purposes of the district and are owned, used, and held for a public  
2 purpose even if leased or operated by a private entity for a term of  
3 years.

4 Sec. 3990.152. RULES. The district may adopt rules  
5 governing the district's public parking facilities.

6 Sec. 3990.153. FINANCING OF PUBLIC PARKING FACILITIES. (a)  
7 The district may use any of its resources, including revenue,  
8 assessments, taxes, or grant or contract proceeds, to pay the cost  
9 of acquiring or operating public parking facilities.

10 (b) The district may:

11 (1) set, charge, impose, and collect fees, charges, or  
12 tolls for the use of the district's public parking facilities; and

13 (2) issue bonds or notes to finance the cost of the  
14 district's public parking facilities.

15 [Sections 3990.154-3990.200 reserved for expansion]

16 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

17 Sec. 3990.201. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
18 board by resolution shall establish the number of directors'  
19 signatures and the procedure required for a disbursement or  
20 transfer of the district's money.

21 Sec. 3990.202. MONEY USED FOR IMPROVEMENTS OR SERVICES.  
22 The district may acquire, construct, finance, operate, or maintain  
23 any improvement or service authorized under this chapter or Chapter  
24 375, Local Government Code, using any money available to the  
25 district.

26 Sec. 3990.205. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
27 The board by resolution may impose and collect an assessment for any

1 purpose authorized by this chapter in all or any part of the  
2 district.

3 (b) An assessment, a reassessment, or an assessment  
4 resulting from an addition to or correction of the assessment roll  
5 by the district, penalties and interest on an assessment or  
6 reassessment, an expense of collection, and reasonable attorney's  
7 fees incurred by the district:

8 (1) are a first and prior lien against the property  
9 assessed;

10 (2) are superior to any other lien or claim other than  
11 a lien or claim for county, school district, or municipal ad valorem  
12 taxes; and

13 (3) are the personal liability of and a charge against  
14 the owners of the property even if the owners are not named in the  
15 assessment proceedings.

16 (c) The lien is effective from the date of the board's  
17 resolution imposing the assessment until the date the assessment is  
18 paid. The board may enforce the lien in the same manner that the  
19 board may enforce an ad valorem tax lien against real property.

20 (d) The board may make a correction to or deletion from the  
21 assessment roll that does not increase the amount of assessment of  
22 any parcel of land without providing notice and holding a hearing in  
23 the manner required for additional assessments.

24 Sec. 3990.206. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
25 ASSESSMENTS. The district may not impose an impact fee or  
26 assessment on the property, including the equipment,  
27 rights-of-way, facilities, or improvements, of:

1           (1) an electric utility or a power generation company  
2 as defined by Section 31.002, Utilities Code;

3           (2) a gas utility as defined by Section 101.003 or  
4 121.001, Utilities Code;

5           (3) a telecommunications provider as defined by  
6 Section 51.002, Utilities Code; or

7           (4) a person who provides to the public cable  
8 television or advanced telecommunications services.

9           Sec. 3990.208. OPERATION AND MAINTENANCE TAX. (a) If  
10 authorized at an election held in accordance with Section 3990.212,  
11 the district may impose an annual operation and maintenance tax on  
12 taxable property in the district in accordance with Section 49.107,  
13 Water Code, for any district purpose, including to:

14           (1) maintain and operate the district; or

15           (2) construct or acquire public improvements.

16           (b) The board shall determine the tax rate. The rate may not  
17 exceed the rate approved at the election.

18           (c) Section 49.107(h), Water Code, does not apply to the  
19 district.

20           Sec. 3990.210. AUTHORITY TO BORROW MONEY AND TO ISSUE  
21 BONDS. (a) The district may borrow money on terms and conditions  
22 as determined by the board. Section 375.205, Local Government Code,  
23 does not apply to a loan, line of credit, or other borrowing from a  
24 bank or financial institution secured by revenue other than ad  
25 valorem taxes.

26           (b) The district may issue bonds, notes, or other  
27 obligations payable wholly or partly from ad valorem taxes, sales

1 and use taxes, assessments, impact fees, revenue, contract  
2 payments, grants, or other district money, or any combination of  
3 those sources of money, to pay for any authorized district purpose.

4 (c) The limitation on the outstanding principal amount of  
5 bonds, notes, and other obligations set forth in Section 49.4645,  
6 Water Code, does not apply to the district.

7 Sec. 3863.211. TAXES FOR BONDS. At the time the district  
8 issues bonds payable wholly or partly from ad valorem taxes, the  
9 board shall provide for the annual imposition of a continuing  
10 direct annual ad valorem tax, without limit as to rate or amount,  
11 while all or part of the bonds are outstanding as required and in  
12 the manner provided by Sections 54.601 and 54.602, Water Code.

13 Sec. 3990.212. ELECTIONS REGARDING TAXES AND BONDS. (a)  
14 The district may issue, without an election, bonds, notes, and  
15 other obligations secured by:

16 (1) revenue other than ad valorem taxes; or

17 (2) contract payments described by Section 3863.209.

18 (b) The district must hold an election in the manner  
19 provided by Subchapter L, Chapter 375, Local Government Code, to  
20 obtain voter approval before the district may impose an ad valorem  
21 tax or sales and use tax or issue bonds payable from ad valorem  
22 taxes.

23 (c) Section 375.243, Local Government Code, does not apply  
24 to the district.

25 (d) All or any part of any facilities or improvements which  
26 may be acquired by a district by the issuance of its bonds may be  
27 included in one single proposition to be voted on at the election or

1 the bonds may be submitted in several propositions.

2 Sec. 3990.213. COMPETITIVE BIDDING. Subchapter I, Chapter  
3 49, Water Code, applies to the district. Sections 375.221 and  
4 375.223, Local Government Code, do not apply to the district.

5 Sec. 3990.214. TAX AND ASSESSMENT ABATEMENTS. The district  
6 may grant in the manner authorized by Chapter 312, Tax Code, an  
7 abatement for a tax or assessment owed to the district.

8 [Sections 3990.215-3990.250 reserved for expansion]

9 SUBCHAPTER F. TAXES FOR CERTAIN DEFINED AREAS AND DESIGNATED  
10 PROPERTY

11 Sec. 3990.251. AUTHORITY TO ESTABLISH DEFINED AREAS OR  
12 DESIGNATED PROPERTY. The district may define areas or designate  
13 certain property of the district to pay for improvements,  
14 facilities, or services that primarily benefit that area or  
15 property and do not generally and directly benefit the district as a  
16 whole.

17 Sec. 3990.252. PROCEDURE FOR ELECTION. (a) Before the  
18 district may impose an ad valorem tax or issue bonds payable from ad  
19 valorem taxes of the area defined or property designated under  
20 Section 3863.251, the board must call and hold an election as  
21 provided by Section 2990.212 only in the defined area or in the  
22 boundaries of the designated property.

23 (b) The board may submit the proposition to the voters on  
24 the same ballot to be used in another election.

25 Sec. 3990.253. DECLARING RESULT AND ISSUING ORDER. (a) If  
26 a majority of the voters voting at the election approve the  
27 proposition or propositions, the board shall declare the results

1 and by order shall establish the defined area and describe it by  
2 metes and bounds or designate the specific property.

3 (b) A court may not review the board's order except on the  
4 ground of fraud, palpable error, or arbitrary and confiscatory  
5 abuse of discretion.

6 Sec. 3990.254. TAXES FOR SERVICES, IMPROVEMENTS, AND  
7 FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter  
8 approval and adoption of the order described in Section 3990.253,  
9 the district may apply separately, differently, equitably, and  
10 specifically its taxing power and lien authority to the defined  
11 area or designated property to provide money to construct,  
12 administer, maintain, and operate services, improvements, and  
13 facilities that primarily benefit the defined area or designated  
14 property.

15 Sec. 3990.255. ISSUANCE OF BONDS AND IMPOSITION OF TAXES  
16 FOR DEFINED AREA OR DESIGNATED PROPERTY. After the order under  
17 Section 3990.253 is adopted, the district may issue bonds to  
18 provide for any land, improvements, facilities, plants, equipment,  
19 and appliances for the defined area or designated property.

20 [Sections 3990.256-3990.300 reserved for expansion]

21 SUBCHAPTER G. SALES AND USE TAX

22 Sec. 3990.301. MEANINGS OF WORDS AND PHRASES. Words and  
23 phrases used in this subchapter that are defined by Chapters 151 and  
24 321, Tax Code, have the meanings assigned by Chapters 151 and 321,  
25 Tax Code.

26 Sec. 3990.302. APPLICABILITY OF CERTAIN TAX CODE  
27 PROVISIONS. (a) Except as otherwise provided by this subchapter,

1 Subtitles A and B, Title 2, Tax Code, and Chapter 151, Tax Code,  
2 apply to taxes imposed under this subchapter and to the  
3 administration and enforcement of those taxes in the same manner  
4 that those laws apply to state taxes.

5 (b) Chapter 321, Tax Code, relating to municipal sales and  
6 use taxes, applies to the application, collection, change, and  
7 administration of a sales and use tax imposed under this subchapter  
8 to the extent consistent with this chapter, as if references in  
9 Chapter 321, Tax Code, to a municipality referred to the district  
10 and references to a governing body referred to the board.

11 (c) Sections 321.106, 321.401, 321.402, 321.403, 321.404,  
12 321.406, 321.409, 321.506, 321.507, and 321.508, Tax Code, do not  
13 apply to a tax imposed under this subchapter.

14 Sec. 3990.303. AUTHORIZATION; ELECTION. (a) The district  
15 may adopt a sales and use tax to serve the purposes of the district  
16 after an election in which a majority of the voters of the district  
17 voting in the election authorize the adoption of the tax.

18 (b) The board by order may call an election to authorize a  
19 sales and use tax. The election may be held with any other district  
20 election.

21 (c) The district shall provide notice of the election and  
22 shall hold the election in the manner prescribed by Section  
23 3990.212.

24 (d) The ballots shall be printed to provide for voting for  
25 or against the proposition: "Authorization of a sales and use tax in  
26 the Williamson County Development District No. 1 at a rate not to  
27 exceed \_\_\_\_ percent."

1       Sec. 3990.304. ABOLISHING SALES AND USE TAX. (a) Except as  
2 provided by Subsection (b), the board may abolish the sales and use  
3 tax without an election.

4       (b) The board may not abolish the sales and use tax if the  
5 district has outstanding debt secured by the tax.

6       Sec. 3990.305. SALES AND USE TAX RATE. (a) On adoption of  
7 the tax authorized by this subchapter, there is imposed a tax on the  
8 receipts from the sale at retail of taxable items in the district,  
9 and an excise tax on the use, storage, or other consumption within  
10 the district of taxable items purchased, leased, or rented from a  
11 retailer in the district during the period that the tax is in  
12 effect.

13       (b) The board shall determine the rate of the tax, which may  
14 be in one-eighth of one percent increments not to exceed the maximum  
15 rate authorized by the district voters at the election. The board  
16 may decrease the tax rate to the extent it does not impair any  
17 outstanding debt or obligations payable from the tax.

18       (c) The rate of the excise tax is the same as the rate of the  
19 sales tax portion of the tax and is applied to the sales price of the  
20 taxable item.

21       [Sections 3990.306-3990.350 reserved for expansion]

22                   SUBCHAPTER H. HOTEL OCCUPANCY TAXES

23       Sec. 3990.351. HOTEL OCCUPANCY TAX. (a) In this section,  
24 "hotel" has the meaning assigned by Section 156.001, Tax Code.

25       (b) For purposes of this section, a reference in Chapter  
26 351, Tax Code, to a municipality is a reference to the district and  
27 a reference in Chapter 351, Tax Code, to the municipality's

1 officers or governing body is a reference to the board.

2 (c) Except as otherwise provided by this section,  
3 Subchapter A, Chapter 351, Tax Code, governs a hotel occupancy tax  
4 authorized by this section, including the collection of the tax.

5 (d) The district may impose a hotel occupancy tax and may  
6 use revenue from the tax for any district purpose that is also an  
7 authorized use of a municipality's hotel occupancy tax revenue  
8 under Chapter 351, Tax Code.

9 (e) The board by order may impose, repeal, increase, or  
10 decrease the rate of a tax on a person who, under a lease,  
11 concession, permit, right of access, license, contract, or  
12 agreement, pays for the use or possession or for the right to the  
13 use or possession of a room that:

- 14 (1) is in a hotel located in the district's boundaries;  
15 (2) costs \$2 or more each day; and  
16 (3) is ordinarily used for sleeping.

17 (f) The amount of the tax may not exceed seven percent of the  
18 price paid for a room in a hotel.

19 (g) The district may examine and receive information  
20 related to the imposition of hotel occupancy taxes to the same  
21 extent as if the district were a municipality.

22 SECTION 3. The Williamson County Development District No. 1  
23 initially includes all territory contained in the following area:

24 BEING a 148.88 acre tract of land situated in the Rachael Saul  
25 Survey, Abstract Number 551 and the Thomas P. Davy Survey, Abstract  
26 Number 169, in Williamson County, Texas, being all portion of the  
27 tracts of land described as Tract One and Tract Two in the deed to

1 Pearson Ranch, LLC recorded in Document Number 2019122036, Official  
2 Public Records of Williamson County, Texas, and a portion of  
3 Pearson Ranch West, Phase 1, an addition in Williamson County,  
4 Texas recorded in Document Number 2021146789, Official Public  
5 Records of Williamson County, Texas, said 148.88 acre tract of land  
6 being more particularly described as follows;

7 BEGINNING at a point in the north right-of-way line of North  
8 State Highway 45W (a variable width right-of-way) being the common  
9 south corner of said Pearson Ranch, LLC tract and a tract of land  
10 described as Tract 1 in the deed to JME-JFE Limited Partnership  
11 recorded in Document Number 2012056983, Official Public Records of  
12 Williamson County, Texas;

13 THENCE South 68 degrees 25 minutes 02 seconds West, along the  
14 north right-of-way line of North State Highway 45W, a distance of  
15 95.48 feet to a point for corner;

16 THENCE South 22 degrees 12 minutes 41 seconds West,  
17 continuing along the north right-of-way line of North State Highway  
18 45W, a distance of 27.72 feet to a point for corner;

19 THENCE South 67 degrees 43 minutes 05 seconds West,  
20 continuing along the north right-of-way line of North State Highway  
21 45W, a distance of 1,426.94 feet to a point for corner;

22 THENCE South 65 degrees 14 minutes 23 seconds West,  
23 continuing along the north right-of-way line of North State Highway  
24 45W, a distance of 228.74 feet to a point for the beginning of a  
25 circular curve to the right, having a radius of 2,844.79 feet and  
26 whose chord bears South 66 degrees 13 minutes 40 seconds West, a  
27 chord distance of 110.08 feet;

1           THENCE    Southwesterly,    continuing    along    the    north  
2 right-of-way line of North State Highway 45W and said circular  
3 curve to the left, through a central angle of 02 degrees 13 minutes  
4 02 seconds, an arc length of 110.09 feet to point for corner at the  
5 end of said curve;

6           THENCE    South   67   degrees   16   minutes   38   seconds   West,  
7 continuing along the north right-of-way line of North State Highway  
8 45W, a distance of 12.96 feet to a point for corner;

9           THENCE    South   67   degrees   32   minutes   33   seconds   West,  
10 continuing along the north right-of-way line of North State Highway  
11 45W, a distance of 830.67 feet to point for corner;

12           THENCE    South   68   degrees   18   minutes   17   seconds   West,  
13 continuing along the north right-of-way line of North State Highway  
14 45W, a distance of 841.90 feet to point for corner in the north  
15 right-of-way line of the Southern Pacific Railroad (100' wide);

16           THENCE    North 69 degrees 12 minutes 37 seconds West, departing  
17 the north right-of-way line of North State Highway 45W and along the  
18 north right-of-way line of the Southern Pacific Railroad, a  
19 distance of 545.04 feet to a point for corner;

20           THENCE    North 00 degrees 07 minutes 59 seconds West, departing  
21 the north right-of-way line of the Southern Pacific Railroad, a  
22 distance of 275.22 feet to a point for corner;

23           THENCE    North 00 degrees 09 minutes 50 seconds West, a  
24 distance of 981.45 feet to a point for corner;

25           THENCE    North 68 degrees 46 minutes 14 seconds East, a  
26 distance of 1,549.15 feet to a point for corner;

27           THENCE    North 68 degrees 50 minutes 57 seconds East, a

1 distance of 590.38 feet to a point for corner;  
2       THENCE North 17 degrees 54 minutes 02 seconds West, a  
3 distance of 1,320.44 feet to a point for corner;  
4       THENCE North 68 degrees 59 minutes 52 seconds East, a  
5 distance of 708.02 feet to a point for corner;  
6       THENCE South 17 degrees 54 minutes 30 seconds East, a  
7 distance of 1,137.92 feet to a point for corner;  
8       THENCE North 84 degrees 50 minutes 51 seconds East, a  
9 distance of 930.90 feet to a point for corner;  
10       THENCE South 10 degrees 36 minutes 54 seconds East, a  
11 distance of 674.79 feet to a point for corner;  
12       THENCE South 10 degrees 40 minutes 16 seconds East, a  
13 distance of 290.66 feet to a point for corner;  
14       THENCE South 10 degrees 37 minutes 54 seconds East, a  
15 distance of 417.94 feet to the POINT OF BEGINNING and CONTAINING a  
16 computed area of 155.79 acres, or 6,786,298 square feet of land,  
17 more or less.

18       SAVE AND EXCEPT that portion located within the municipality,  
19 all of Lot 1, Block A, said Pearson Ranch West, Texas, Phase 1,  
20 being 6.909 acres or 300,970 square feet LEAVING A NET ACREAGE of  
21 148.88 acres or 6,485,328 square feet of land, more or less.

22       SECTION 4. (a) The legal notice of the intention to  
23 introduce this Act, setting forth the general substance of this  
24 Act, has been published as provided by law. (b) All requirements of  
25 the constitution and laws of this state and the rules and procedures  
26 of the legislature with respect to the notice, introduction, and  
27 passage of this Act have been fulfilled and accomplished.

1           SECTION 5. This Act takes effect immediately if it receives  
2 a vote of two-thirds of all the members elected to each house, as  
3 provided by Section 39, Article III, Texas Constitution. If this  
4 Act does not receive the vote necessary for immediate effect, this  
5 Act takes effect September 1, 2023.