

(1) Amend **HB 3629** (committee report) on page one, between lines 10-11 by inserting the following:

SUBCHAPTER A. SPRING BRANCH AREA COMMUNITY
IMPROVEMENT DISTRICT

(2) Amend **HB 3629** (committee report) on page 6 after line 6 by inserting the following:

SUBCHAPTER B. TEMPLE HEALTH AND BIOSCIENCE
ECONOMIC DEVELOPMENT DISTRICT

ARTICLE 1. LEGISLATIVE FINDINGS AND INTENT;
CONSTRUCTION OF ACT

SECTION 1.001. DECLARATION OF LEGISLATIVE FINDINGS AND INTENT. (a) The creation of a district under this Act is essential to accomplish the purposes of Section 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and to accomplish other public purposes stated in this Act.

(b) This Act is enabling legislation enacted to further the public purposes under Section 52-a, Article III, Texas Constitution.

(c) The creation of a district under this Act is necessary to further the public purpose of improving the economy of the state and the City of Temple by providing for the development of health and bioscience operations and facilities.

(d) A district created under this Act serves the public purposes stated in this section.

SECTION 1.002. CONSTRUCTION OF ACT. (a) This Act shall be liberally construed in conformity with the legislative findings and purposes set forth in this Act.

(b) Chapter 311, Government Code (Code Construction Act), applies to this Act.

(c) A reference to a section without further identification is a reference to a section of this Act.

ARTICLE 2. GENERAL PROVISIONS

SECTION 2.001. DEFINITIONS. In this Act:

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

(2) "Bond" means an interest-bearing obligation issued by the district under this Act, including a bond,

certificate, note, or other evidence of indebtedness.

(3) "City council" means the governing body of the City of Temple.

(4) "Director" means a board member.

(5) "District" means the Temple Health and Bioscience Economic Development District.

(6) "Project" means a project established under Section 5.010 and includes the land, buildings, equipment, facilities, infrastructure, improvements, and other property necessary to accomplish the purposes of the project.

SECTION 2.002. NATURE OF DISTRICT. The district is a special district and a political subdivision of this state under Section 59, Article XVI, Texas Constitution.

ARTICLE 3. CREATION OF DISTRICT

SECTION 3.001. APPLICATION FOR PETITION TO CREATE DISTRICT.

(a) If 10 or more qualified voters of the City of Temple file a written application with the city, the city shall issue to the applicants a petition to be circulated among the qualified voters of the city for the signatures of voters who desire that a local option election be called in the city to determine whether to create the district:

(1) with the power to impose an ad valorem tax not to exceed 15 cents per \$100 valuation of all taxable property in the district; or

(2) without the power to impose an ad valorem tax.

(b) If the district is created without the power to impose an ad valorem tax and 10 or more qualified voters of the City of Temple file a written application with the city for a petition to enable the district to impose a tax, the city shall issue to the applicants a petition to be circulated among the qualified voters of the city for the signatures of voters who desire to enable the district to impose an ad valorem tax not to exceed 15 cents per \$100 valuation of all taxable property in the district.

(c) At the request of petitioners under this section, a petition for a local option election to determine whether the district may impose an ad valorem tax may also express that at the same election the district shall be authorized to issue bonds

payable in whole or in part from that ad valorem tax as permitted under Section 6.010.

SECTION 3.002. HEADING, STATEMENT, AND ISSUE ON APPLICATION FOR PETITION TO CREATE DISTRICT. (a) An application for a petition under Section 3.001 to create the district with the power to impose an ad valorem tax must be entitled: "Application for Local Option Election Petition to Create the Temple Health and Bioscience Economic Development District with the Power to Impose an Ad Valorem Tax not to Exceed 15 Cents per \$100 Valuation of all Taxable Property in the District." The application must contain a statement just before the signatures of the applicants that reads substantially as follows: "The petitioners whose signatures appear on this petition intend that the Temple Health and Bioscience Economic Development District referred to in the issue set out above be created." If the petition also seeks an election to authorize the issuance of bonds by the district payable in whole or in part from ad valorem taxes, the statement: "and to Issue Bonds Payable in Whole or in Part from the Ad Valorem Tax" must be appended to the end of the title specified in this subsection.

(b) An application for a petition under Section 3.001(a) to create the district without the power to impose the ad valorem tax must be entitled: "Application for Local Option Election Petition to Create the Temple Health and Bioscience Economic Development District." The application must contain a statement just before the signatures of the applicants that reads substantially as follows: "The petitioners whose signatures appear on this petition intend that the Temple Health and Bioscience Economic Development District referred to in the issue set out above be created."

(c) If the district initially is created without ad valorem taxing authority, an application for a petition under Section 3.001(b) seeking an election to enable the district to impose an ad valorem tax not to exceed 15 cents per \$100 valuation of all taxable property in the district must be entitled: "Application for Local Option Election Petition to Enable the Temple Health and Bioscience Economic Development District to Impose an Ad Valorem Tax not to Exceed 15 cents per \$100 Valuation of all Taxable Property in the District." The application must contain a statement just before

the signatures of the applicants that reads substantially as follows: "The petitioners whose signatures appear on this petition intend that the Temple Health and Bioscience Economic Development District be enabled to impose an ad valorem tax not to exceed 15 cents per \$100 valuation of all taxable property in the district." If the petition also seeks an election to authorize the issuance of bonds by the district payable in whole or in part from ad valorem taxes, the statement: "and to Issue Bonds Payable in Whole or in Part from the Ad Valorem Tax" must be appended to the title specified by this subsection.

(d) Each petition must show the date it is issued by the City of Temple and be serially numbered. Each page of a petition must bear the same date and serial number.

SECTION 3.003. COPIES OF PETITION. (a) The City of Temple shall supply as many copies of the petition as required by the applicants but not to exceed more than one page of the petition for every 10 registered voters in the city. Each copy shall bear the date, number, and seal on each page as required on the original petition.

(b) The City of Temple shall keep a copy of each petition and a record of the applicants for that petition.

SECTION 3.004. FILING AND VERIFICATION OF PETITION. (a) Not later than the 120th day after the date on which a petition is issued by the City of Temple under Section 3.002, the applicants requesting the petition may file a request with the City of Temple for the petition to be verified under Subsection (b).

(b) If a request for verification is made under Subsection (a), the City of Temple shall examine the names of the signers of petitions and determine whether the signers of the petition were qualified voters of the city at the time the petition was issued. The City of Temple shall certify to the city council the number of qualified voters signing the petition not later than the 15th day after the date the request for verification was filed.

(c) A signature may not be counted under this section if there is good reason to believe that:

(1) the signature is not the actual signature of the purported signer;

(2) the voter registration certificate number is not correct;

(3) the signature duplicates a name or the handwriting used in any other signature on the petition; or

(4) the signer's residence address cannot be verified.

SECTION 3.005. REQUIREMENTS TO ORDER ELECTION. (a) Not later than the date of the second regular session of the city council convened after a petition has been verified under Section 3.004, the city council shall order a local option election to be held on the issue set out in the petition if the petition contains the following:

(1) the actual signatures of a number of qualified voters of the City of Temple equal to at least 10 percent of the registered voters of the city who voted in the most recent general election in the city;

(2) a notation showing the residence address of each signer;

(3) each signer's voter registration certificate number; and

(4) each signer's printed name.

(b) The following shall be entered in the city council minutes:

(1) the dates a petition is presented to and verified by the City of Temple;

(2) the names of the signers; and

(3) the action taken on the petition.

SECTION 3.006. NOTICE AND CONDUCT OF ELECTION; RESULTS.

(a) If the requirements to order an election under Section 3.005 are met, the city council shall give notice of the election on the issue set out in the verified petition by publishing a substantial copy of the election order once a week for two consecutive weeks in a newspaper with general circulation in the City of Temple. The first publication must appear before the 14th day before the date set for the election. If the election order includes the issue of whether the district may issue bonds, the first publication must appear before the 31st day before the date set for the election.

(b) The order calling the election must:

(1) define the district boundaries to be the boundaries of the City of Temple as the boundaries of the city are adjusted from time to time by the city; and

(2) call for the election to be held within those boundaries.

(c) The ballot at an election held under this section must be printed to permit voting for or against the proposition set forth below that was covered by the verified petition:

(1) "Authorizing the creation of the Temple Health and Bioscience Economic Development District and the imposition of an ad valorem tax not to exceed the rate of 15 cents per \$100 valuation of all taxable property in the district.;

(2) "Authorizing the creation of the Temple Health and Bioscience Economic Development District and the imposition of an ad valorem tax not to exceed the rate of 15 cents per \$100 valuation of all taxable property in the district and to issue bonds payable in whole or in part from the ad valorem tax.;

(3) "Authorizing the creation of the Temple Health and Bioscience Economic Development District.;

(4) "Authorizing the imposition of an ad valorem tax not to exceed the rate of 15 cents per \$100 valuation of all taxable property in the district.; or

(5) "Authorizing the imposition of an ad valorem tax not to exceed the rate of 15 cents per \$100 valuation of all taxable property in the district and to issue bonds payable in whole or in part from the ad valorem tax."

(d) The district is created if a majority of the registered voters of the proposed district voting at the election favor creation. The district may impose an ad valorem tax not to exceed the rate of 15 cents per \$100 valuation of all taxable property in the district if a majority of the registered voters of the district voting at the election favor its imposition. The district may issue bonds payable wholly or partially from ad valorem taxes if a majority of the registered voters of the district voting at the election favor the authorization.

(e) If a majority of the registered voters of the proposed district voting at the election to create the district vote against

creating the district, another election on the question of creating the district may not be held before the first anniversary of the date of the most recent election concerning the creation. If a majority of the registered voters of the district voting at the election to establish the power of the district to impose an ad valorem tax vote against the power, another election on the question may not be held before the first anniversary of the date of the most recent election concerning the question. If a majority of the registered voters of the district voting at the election to authorize the district to issue bonds payable wholly or partially from ad valorem taxes vote against the authorization, another election on the question may not be held before the first anniversary of the date of the most recent election concerning the question.

(f) The City of Temple shall hold an election provided under this section on the earliest of the uniform election dates under Section 41.001, Election Code, to occur following the adoption of the order calling the election by the city council.

SECTION 3.007. TEMPORARY BOARD. (a) After creation of the district under Section 3.006(d), the city council by resolution shall appoint seven directors to serve on a temporary board.

(b) In the resolution, the city council shall stagger the terms of the directors appropriately so that four directors serve until directors are elected under Section 4.003(1) and three directors serve until directors are elected under Section 4.003(2).

ARTICLE 4. BOARD OF DIRECTORS

SECTION 4.001. GOVERNING BODY. The district is governed by a board of seven directors elected as provided by this Act.

SECTION 4.002. TERMS. Except as provided by Section 3.007, directors serve staggered three-year terms.

SECTION 4.003. DATE OF ELECTIONS. The district shall hold board elections as follows:

(1) four directors must be elected on the regular election day on which certain members of the city council and the mayor of the City of Temple are elected; and

(2) three directors must be elected on the regular election day on which the other members of the city council of the

City of Temple are elected.

SECTION 4.004. QUALIFICATIONS. A director:

(1) must be a registered voter of the City of Temple;
and

(2) may not be:

(A) an elected official; or

(B) employed by the district or the City of Temple.

SECTION 4.005. BOARD VACANCY. A vacancy in the office of director shall be filled by the remaining directors for the unexpired term.

SECTION 4.006. DIRECTOR'S BOND; OATH. (a) As soon as practicable after a director is elected or appointed, the director shall execute a bond for \$10,000 payable to the district and conditioned on the faithful performance of the director's duties.

(b) The bond must be approved by the board.

(c) Each director shall take the oath of office prescribed by the constitution for public office.

(d) The bond and oath shall be filed with the district and the district shall retain the bond and oath in its records.

SECTION 4.007. BOARD OFFICERS. (a) The board shall elect from the board a presiding officer, a secretary, and any other officers the board considers necessary.

(b) The board by resolution shall establish the powers and duties of the officers, consistent with this Act.

SECTION 4.008. COMPENSATION; EXPENSES. A director serves without compensation but is entitled to reimbursement for actual and necessary expenses approved by the board.

SECTION 4.009. MEETINGS AND NOTICE. (a) The board may establish regular meetings to conduct district business and may hold special meetings at other times as necessary.

(b) The board shall provide the notice prepared under Subchapter C, Chapter 551, Government Code, to the City of Temple's secretary. In addition to the requirements imposed by that subchapter on the district, the city shall post the notice at the usual location at which notices of city council meetings are posted.

SECTION 4.010. EMPLOYEES; PERSONS HIRED BY BOARD. (a) The board shall employ any person the board considers necessary to conduct district affairs, including:

- (1) engineers;
- (2) attorneys;
- (3) financial advisors;
- (4) economists;
- (5) a general manager;
- (6) a utility operator;
- (7) bookkeepers;
- (8) auditors; and
- (9) clerical workers.

(b) The board by resolution shall determine the compensation and terms of service of any person employed or hired by the district.

(c) The board may remove any employee.

(d) The board may require an employee to execute a bond payable to the district and conditioned on the faithful performance of the person's duties.

ARTICLE 5. POWERS AND DUTIES

SECTION 5.001. GENERAL POWERS OF DISTRICT. The district has all powers necessary or convenient to carry out and effect the purposes and provisions of this Act.

SECTION 5.002. RULES. The board may adopt rules to govern the district, including its operations, employees, and property.

SECTION 5.003. DISTRICT OFFICE. The board shall designate and establish a district office in the City of Temple.

SECTION 5.004. PROPERTY. The district may exercise any type of property right, including the power to acquire, sell, or lease as lessee or lessor, regarding any type of property interest in the district or for use in the district under terms and conditions determined by the board.

SECTION 5.005. AGREEMENTS; GRANTS. The district may make an agreement with or accept a gift, grant, or loan from any person for any district purpose, including a contract to manage or maintain a district project.

SECTION 5.006. COMPETITIVE BIDDING. (a) Except as

provided by Subsection (b), Section 375.221, Local Government Code, applies to the district.

(b) Section 375.221, Local Government Code, does not apply to a contract between the district and:

- (1) another governmental entity;
- (2) a nonprofit corporation, including a scientific research corporation; or
- (3) a corporation created under the Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes).

SECTION 5.007. RELATION TO OTHER LAW ON CONTRACTS. This Act states the procedures necessary to award contracts and supersedes any law or other requirement otherwise applicable to the district regarding the award of contracts.

SECTION 5.008. FEES FOR USE OF DISTRICT IMPROVEMENTS. The district may establish and maintain reasonable and nondiscriminatory rates, fares, charges, rents, or other fees or compensation for the use of the improvements constructed, operated, or maintained by the district.

SECTION 5.009. PROGRAMS. (a) The district may establish and provide for the administration of one or more programs to:

- (1) promote state or local economic development; and
- (2) stimulate business and commercial activity in the district that relates to a project.

(b) As part of a program established under Subsection (a), the district may:

- (1) make loans or grants of public money for a public purpose as provided by Section 52-a, Article III, Texas Constitution; or
- (2) provide district personnel and services for the program.

(c) The district may contract with any person to administer a program under this section.

SECTION 5.010. PROJECTS. (a) The district may establish projects for:

- (1) bioscience and health products, including projects related to:

(A) research and development;
(B) invention and discovery;
(C) commercialization;
(D) production and manufacturing of goods and products, including facilities for manufacturing; and

(E) development of production process and delivery system purposes in, involved in, based on, or related to, or intended to advance the state of knowledge, skill, and understanding of, the biosciences, including:

(i) wet laboratories;
(ii) clean rooms;
(iii) dry laboratories;
(iv) research and development facilities;
(v) genetics facilities and equipment;
(vi) pharmaceutical facilities and equipment;

(vii) biotechnology incubators;
(viii) bioscience and biotech health care facilities;

(ix) biotech facilities;
(x) bioscience facilities; and
(xi) other similar projects;

(2) bioscience education, including health or biotech education facilities regardless of any affiliation with other institutions of higher, vocational, or job training education;

(3) access to public safety facilities and equipment;
(4) streets and roads;
(5) drainage services;
(6) wastewater services;
(7) potable water services;
(8) telecommunication facilities;
(9) demolition of existing structures;
(10) development and institution of water conservation programs;
(11) chilled water services;
(12) steam services;
(13) industrial gases services;

(14) other utility and process and production services; or

(15) the support of any other type of health or bioscience projects.

(b) A project established under Subsection (a) must be related to the bioscience or health purposes of the district.

SECTION 5.011. SUITS. (a) The district may sue and be sued.

(b) Service of process in a suit may be made by serving any two directors.

(c) The district may not be required to give security for costs and may appeal from a judgment without giving a supersedeas or cost bond.

SECTION 5.012. SEAL. The district may adopt a seal.

SECTION 5.013. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation under the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes), including creation of a scientific corporation. The nonprofit corporation shall assist and act on behalf of the district in implementing a project or providing a service authorized by this Act.

(b) The board shall appoint the board of directors of a nonprofit corporation. The board may appoint a director of the district's board to serve as a director of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Chapter 431, Transportation Code.

(c) The nonprofit corporation:

(1) has the powers of and is considered for purposes of this Act to be a local government corporation created under Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this Act.

ARTICLE 6. GENERAL FINANCIAL PROVISIONS

SECTION 6.001. USE OF DISTRICT MONEY. The district may use district money for any district purpose, including to pay:

(1) for projects; and

(2) district bonds or other obligations.

SECTION 6.002. INVESTMENTS. (a) The district may invest money it receives under this Act.

(b) The district may hire a person to invest district money on terms the board considers advisable.

SECTION 6.003. DISBURSEMENTS OR TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

SECTION 6.004. DEPOSITORY INSTITUTION. The district may designate financial institutions to serve as the depository bank or banks for the district.

SECTION 6.005. ACCOUNTS; FISCAL YEAR. (a) The district may establish an accounting system for the district for each year.

(b) The district may establish a fiscal year for the district.

SECTION 6.006. PROJECT FUND. (a) The district by resolution shall establish a project fund.

(b) The district may establish separate accounts within the project fund.

(c) The district shall deposit into the project fund all district money, including:

(1) the proceeds from any ad valorem tax imposed by the district;

(2) all revenue from the sale of district bonds or other obligations; and

(3) any other money acquired or received by the district.

SECTION 6.007. AUDIT. (a) The district shall contract with an independent certified public accountant or a certified public accounting firm to audit the district's affairs annually, including the district's financial records. The contract must be a written contract.

(b) The district shall make the audit available for inspection by the public and the City of Temple.

SECTION 6.008. ASSESSMENTS. The district may impose an

assessment on property in the district, including a leasehold interest, by agreement with the property owner.

SECTION 6.009. LIABILITIES. The district may incur liabilities, including those incurred by:

(1) borrowing money on terms and conditions the board determines; and

(2) issuing bonds or other obligations under Section 6.010.

SECTION 6.010. BONDS AND OTHER OBLIGATIONS. (a) The district may issue bonds, including revenue bonds, or other obligations to pay the costs of a project in the district.

(b) In exercising the district's borrowing power, the district may issue a bond or other obligation in the form of a bond, note, certificate of participation or other instrument evidencing a proportionate interest in payments to be made by the district, or other type of obligation.

ARTICLE 7. AD VALOREM TAX

SECTION 7.001. IMPOSITION OF AD VALOREM TAX. If authorized at an election held under Section 3.006, the district:

(1) may by order impose an annual ad valorem tax on taxable property in the district to pay for projects; and

(2) shall by order impose an ad valorem tax to pay for bonds that are payable wholly or partly from ad valorem taxes.

SECTION 7.002. TAX RATE. (a) The board shall determine the tax rate.

(b) The tax rate may not exceed 15 cents per each \$100 of assessed valuation of taxable property in the district.

SECTION 7.003. TAX ASSESSOR-COLLECTOR. The board may:

(1) appoint a district tax assessor-collector; or

(2) contract for the assessment and collection of taxes as provided by the Tax Code.

ARTICLE 8. DISSOLUTION OF DISTRICT

SECTION 8.001. DISSOLUTION OF DISTRICT. The district may be dissolved only as provided by this article.

SECTION 8.002. DISSOLUTION BY ORDER OF CITY COUNCIL. (a) The board may petition the city council to dissolve the district if the board finds that the district:

(1) has not issued bonds or other obligations under Section 6.010 and that the purposes of the district are impracticable, or reasonably and economically cannot be successful or accomplished; or

(2) has paid, or otherwise provided for payment of, all bonds and other obligations issued under Section 6.010 and that the purposes of the district have been accomplished.

(b) On receipt of a petition under Subsection (a), the city council shall hold a public hearing to determine whether the dissolution of the district serves the best interests of the City of Temple and the residents of the city.

(c) After the hearing, the city council shall:

(1) enter in its records the appropriate findings and order dissolving of the district if the city council unanimously determines that the best interests of the City of Temple and the residents of the city will be served by dissolving the district; or

(2) enter its order providing that the district has not been dissolved if the city council does not unanimously determine that the best interests of the City of Temple and the residents of the city will be served by dissolving the district.

(d) On dissolution of the district under this section:

(1) all money and other property of the district is transferred to the City of Temple; and

(2) the City of Temple shall assume any remaining contracts or other obligations of the district.

SECTION 8.003. DISSOLUTION OF DISTRICT ON AGREEMENT WITH CITY. (a) The district may be dissolved by agreement between the city council and the board.

(b) On dissolution of the district under this section:

(1) all money and other property of the district is transferred to the City of Temple; and

(2) the City of Temple shall assume the district's responsibilities regarding all district contracts, debts, bonds, and other obligations.

SECTION 8.004. EFFECT OF DISSOLUTION ON TAXES. On dissolution of the district, any taxes imposed by the district are abolished.

ARTICLE 9. EFFECTIVE DATE

SECTION 9.001. EFFECTIVE DATE. This subchapter takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2003.