By: Wong

H.B. No. 3578

## A BILL TO BE ENTITLED 1 AN ACT 2 relating to powers, duties, and name of the Upper Kirby Management 3 District. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 5 SECTION 1. The heading to Subchapter E, Chapter 376, Local Government Code, is amended to read as follows: 6 SUBCHAPTER E. <u>HARRIS COUNTY IMPROVEMENT</u> [UPPER KIRBY MANAGEMENT] 7 8 DISTRICT NO. 3 SECTION 2. Section 376.151(a), Local Government Code, is 9 amended to read as follows: 10 (a) A special district to be known as the "Harris County 11 12 Improvement [Upper Kirby Management] District No. 3" exists as a governmental agency, body politic and corporate, and political 13 14 subdivision of the state. SECTION 3. Section 376.153(2), Local Government Code, is 15 amended to read as follows: 16 (2) "District" means the Harris County Improvement 17 18 [Upper Kirby Management] District No. 3. SECTION 4. Section 376.165, Local Government Code, 19 is amended by adding Subsections (g) and (h) to read as follows: 20 21 (g) An assessment may be imposed on only a part of the district if only that part will benefit from the service or 22 23 improvement. 24 (h) The board may not impose an assessment or finance a

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service or improvement project under this subchapter unless a 1 written petition requesting the improvement or service has been 2 filed with the board. The petition must be signed by: 3 4 (1) the owners of a majority of the assessed value of 5 real property in the district or in the area of the district that 6 will be subject to the assessment as determined by the most recent 7 certified tax appraisal roll for Harris County; or 8 (2) at least 25 persons who own real property in the district or the area of the district that will be subject to the 9 assessment, if more than 25 persons own real property in the 10 district or area that will be subject to the assessment as 11 12 determined by the most recent certified tax appraisal roll for

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## 13 <u>Harris County.</u>

## SECTION 5. Section 376.170, Local Government Code, is amended to read as follows:

Sec. 376.170. EXEMPTION OF PUBLIC UTILITY FROM FEE OR ASSESSMENT. The district may not impose an impact fee or assessment on the property, equipment, or facilities of an electric utility as defined by Section 31.002, Utilities Code, a gas utility as defined by Section 101.003 or 121.001, Utilities Code, a telecommunications provider as defined by Section 51.002, Utilities Code, or a cable operator as defined by 47 U.S.C. Section 522, as amended.

23 SECTION 6. Subchapter E, Chapter 376, Local Government 24 Code, is amended by adding Section 376.171 to read as follows:

25 <u>Sec. 376.171. USE OF ELECTRICAL OR OPTICAL LINES. (a) The</u> 26 <u>district may impose an assessment to pay the cost of:</u>

27 (1) burying or removing electrical power lines,

| 1  | telephone lines, cable or fiber optic lines, or any other type of   |
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| 2  | electrical or optical line;   |
| 3  | (2) removing poles and any elevated lines using the                 |
| 4  | poles; and  |
| 5  | (3) reconnecting the lines described by Subdivision                 |
| 6  | (2) to the buildings or other improvements to which the lines were  |
| 7  | connected.  |
| 8  | (b) The district may acquire, operate, or charge fees for           |
| 9  | the use of the district conduits for:                               |
| 10 | (1) another person's:   |
| 11 | (A) telecommunications network;                                     |
| 12 | (B) fiber-optic cable; or   |
| 13 | (C) electronic transmission line; or                                |
| 14 | (2) any other type of transmission line or supporting               |
| 15 | facility.   |
| 16 | (c) The district may not require a person to use a district         |
| 17 | conduit.  |
| 18 | SECTION 7. Subchapter E, Chapter 376, Local Government              |
| 19 | Code, is amended by adding Section 376.172 to read as follows:      |
| 20 | Sec. 376.172. PUBLIC TRANSIT SYSTEM AND PARKING FACILITIES.         |
| 21 | (a) The district may acquire, lease as lessor or lessee, construct, |
| 22 | develop, own, operate, and maintain a public transit system to      |
| 23 | serve the area within the boundaries of the district.               |
| 24 | (b) Before the district may act under Subsection (a), a             |
| 25 | petition must be filed with the district requesting the action with |
| 26 | regard to a public transit system. The petition must be signed by   |
| 27 | owners of property representing a majority of either the total      |

| 1  | assessed value or the area of the real property in the district that |
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| 2  | abuts the right-of-way in which the public transit system is         |
| 3  | proposed to be located. The determination of a majority is based on  |
| 4  | the property owners along the entire right-of-way of the proposed    |
| 5  | transit project and may not be calculated on a block-by-block        |
| 6  | basis.   |
| 7  | (c) The district may acquire, lease as lessor or lessee,             |
| 8  | construct, develop, own, operate, and maintain parking facilities,   |
| 9  | including:   |
| 10 | (1) lots, garages, parking terminals, or other                       |
| 11 | structures or accommodations for the parking of motor vehicles; and  |
| 12 | (2) equipment, entrances, exits, fencing, and other                  |
| 13 | accessories necessary for safety and convenience in the parking of   |
| 14 | vehicles.  |
| 15 | (d) A parking facility of the district must be either leased         |
| 16 | to or operated on behalf of the district by a private entity or an   |
| 17 | entity other than the district. The district's parking facilities    |
| 18 | are a program authorized by the legislature under Section 52-a,      |
| 19 | Article III, Texas Constitution, and accomplish a public purpose     |
| 20 | under that section even if leased or operated by a private entity    |
| 21 | for a term of years.   |
| 22 | (e) The district's public parking facilities and any lease           |
| 23 | to a private entity are exempt from the payment of ad valorem taxes  |
| 24 | and state and local sales and use taxes.                             |
| 25 | (f) The district may use any of its resources, including             |
| 26 | revenues, assessments, taxes, and grant or contract proceeds, to     |
| 27 | pay the cost of acquiring and operating a public transit system or   |

| 1  | public parking facilities.   |
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| 2  | (g) The district may adopt rules and regulations covering            |
| 3  | its public transit system or its public parking facilities except    |
| 4  | that any rules relating to or affecting the use of the public        |
| 5  | right-of-way or requirements for off-street parking must be subject  |
| 6  | to all applicable municipal charter, code, or ordinance              |
| 7  | requirements.  |
| 8  | (h) The district may set and impose fees, charges, or tolls          |
| 9  | for the use of the public transit system or the public parking       |
| 10 | facilities and may issue bonds or notes to finance the cost of these |
| 11 | facilities.  |
| 12 | (i) Except as provided by Subsection (b), if the district            |
| 13 | pays for or finances the cost of acquiring or operating a public     |
| 14 | transit system or public parking facilities with resources other     |
| 15 | than assessments, a petition of property owners or a public hearing  |
| 16 | is not required.   |
| 17 | (j) If the district's acquisition of property for a parking          |
| 18 | facility that is leased to or operated by a private entity results   |
| 19 | in the removal from a taxing unit's tax rolls of real property       |
| 20 | otherwise subject to ad valorem taxation, the district shall pay to  |
| 21 | the taxing unit in which the property is located, on or before       |
| 22 | January 1 of each year, as a payment in lieu of taxes, an amount     |
| 23 | equal to the ad valorem taxes that otherwise would have been levied  |
| 24 | for the preceding tax year on that real property by the taxing unit, |
| 25 | without including the value of any improvements constructed on the   |
| 26 | property.  |
| 27 | SECTION 8. (a) The legislature validates and confirms all            |

acts and proceedings of the Harris County Improvement District No.
3 and the district's board of directors that occurred before the
effective date of this Act, including changing the district's name
from the "Upper Kirby Management District" to "Harris County
Improvement District No. 3."

6 (b) This section does not apply to any matter that on the 7 effective date of this Act:

8 (1) is involved in litigation, if the litigation 9 ultimately results in the matter being held invalid by a final 10 judgment of a court with jurisdiction; or

11 (2) has been held invalid by a court with 12 jurisdiction.

13 SECTION 9. This Act takes effect immediately if it receives 14 a vote of two-thirds of all the members elected to each house, as 15 provided by Section 39, Article III, Texas Constitution. If this 16 Act does not receive the vote necessary for immediate effect, this 17 Act takes effect September 1, 2003.

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