

1-1 By: Wong (Senate Sponsor - Ellis) H.B. No. 3578
1-2 (In the Senate - Received from the House May 12, 2003;
1-3 May 13, 2003, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 23, 2003, reported favorably by
1-5 the following vote: Yeas 4, Nays 0; May 23, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to powers, duties, and name of the Upper Kirby Management
1-9 District.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. The heading to Subchapter E, Chapter 376, Local
1-12 Government Code, is amended to read as follows:

1-13 SUBCHAPTER E. HARRIS COUNTY IMPROVEMENT [~~UPPER KIRBY MANAGEMENT~~]
1-14 DISTRICT NO. 3

1-15 SECTION 2. Section 376.151(a), Local Government Code, is
1-16 amended to read as follows:

1-17 (a) A special district to be known as the "Harris County
1-18 Improvement [~~Upper Kirby Management~~] District No. 3" exists as a
1-19 governmental agency, body politic and corporate, and political
1-20 subdivision of the state.

1-21 SECTION 3. Section 376.153(2), Local Government Code, is
1-22 amended to read as follows:

1-23 (2) "District" means the Harris County Improvement
1-24 [~~Upper Kirby Management~~] District No. 3.

1-25 SECTION 4. Section 376.165, Local Government Code, is
1-26 amended by adding Subsections (g) and (h) to read as follows:

1-27 (g) An assessment may be imposed on only a part of the
1-28 district if only that part will benefit from the service or
1-29 improvement.

1-30 (h) The board may not impose an assessment or finance a
1-31 service or improvement project under this subchapter unless a
1-32 written petition requesting the improvement or service has been
1-33 filed with the board. The petition must be signed by:

1-34 (1) the owners of a majority of the assessed value of
1-35 real property in the district or in the area of the district that
1-36 will be subject to the assessment as determined by the most recent
1-37 certified tax appraisal roll for Harris County; or

1-38 (2) at least 25 persons who own real property in the
1-39 district or the area of the district that will be subject to the
1-40 assessment, if more than 25 persons own real property in the
1-41 district or area that will be subject to the assessment as
1-42 determined by the most recent certified tax appraisal roll for
1-43 Harris County.

1-44 SECTION 5. Section 376.170, Local Government Code, is
1-45 amended to read as follows:

1-46 Sec. 376.170. EXEMPTION OF PUBLIC UTILITY FROM FEE OR
1-47 ASSESSMENT. The district may not impose an impact fee or assessment
1-48 on the property, equipment, or facilities of an electric utility as
1-49 defined by Section 31.002, Utilities Code, a gas utility as defined
1-50 by Section 101.003 or 121.001, Utilities Code, a telecommunications
1-51 provider as defined by Section 51.002, Utilities Code, or a cable
1-52 operator as defined by 47 U.S.C. Section 522, as amended.

1-53 SECTION 6. Subchapter E, Chapter 376, Local Government
1-54 Code, is amended by adding Section 376.171 to read as follows:

1-55 Sec. 376.171. USE OF ELECTRICAL OR OPTICAL LINES. (a) The
1-56 district may impose an assessment to pay the cost of:

1-57 (1) burying or removing electrical power lines,
1-58 telephone lines, cable or fiber optic lines, or any other type of
1-59 electrical or optical line;

1-60 (2) removing poles and any elevated lines using the
1-61 poles; and

1-62 (3) reconnecting the lines described by Subdivision
1-63 (2) to the buildings or other improvements to which the lines were
1-64 connected.

2-1 (b) The district may acquire, operate, or charge fees for
2-2 the use of the district conduits for:

2-3 (1) another person's:

2-4 (A) telecommunications network;

2-5 (B) fiber-optic cable; or

2-6 (C) electronic transmission line; or

2-7 (2) any other type of transmission line or supporting
2-8 facility.

2-9 (c) The district may not require a person to use a district
2-10 conduit.

2-11 SECTION 7. Subchapter E, Chapter 376, Local Government
2-12 Code, is amended by adding Section 376.172 to read as follows:

2-13 Sec. 376.172. PUBLIC TRANSIT SYSTEM AND PARKING FACILITIES.

2-14 (a) The district may acquire, lease as lessor or lessee, construct,
2-15 develop, own, operate, and maintain a public transit system to
2-16 serve the area within the boundaries of the district.

2-17 (b) Before the district may act under Subsection (a), a
2-18 petition must be filed with the district requesting the action with
2-19 regard to a public transit system. The petition must be signed by
2-20 owners of property representing a majority of either the total
2-21 assessed value or the area of the real property in the district that
2-22 abuts the right-of-way in which the public transit system is
2-23 proposed to be located. The determination of a majority is based on
2-24 the property owners along the entire right-of-way of the proposed
2-25 transit project and may not be calculated on a block-by-block
2-26 basis.

2-27 (c) The district may acquire, lease as lessor or lessee,
2-28 construct, develop, own, operate, and maintain parking facilities,
2-29 including:

2-30 (1) lots, garages, parking terminals, or other
2-31 structures or accommodations for the parking of motor vehicles; and

2-32 (2) equipment, entrances, exits, fencing, and other
2-33 accessories necessary for safety and convenience in the parking of
2-34 vehicles.

2-35 (d) A parking facility of the district must be either leased
2-36 to or operated on behalf of the district by a private entity or an
2-37 entity other than the district. The district's parking facilities
2-38 are a program authorized by the legislature under Section 52-a,
2-39 Article III, Texas Constitution, and accomplish a public purpose
2-40 under that section even if leased or operated by a private entity
2-41 for a term of years.

2-42 (e) The district's public parking facilities and any lease
2-43 to a private entity are exempt from the payment of ad valorem taxes
2-44 and state and local sales and use taxes.

2-45 (f) The district may use any of its resources, including
2-46 revenues, assessments, taxes, and grant or contract proceeds, to
2-47 pay the cost of acquiring and operating a public transit system or
2-48 public parking facilities.

2-49 (g) The district may adopt rules and regulations covering
2-50 its public transit system or its public parking facilities except
2-51 that any rules relating to or affecting the use of the public
2-52 right-of-way or requirements for off-street parking must be subject
2-53 to all applicable municipal charter, code, or ordinance
2-54 requirements.

2-55 (h) The district may set and impose fees, charges, or tolls
2-56 for the use of the public transit system or the public parking
2-57 facilities and may issue bonds or notes to finance the cost of these
2-58 facilities.

2-59 (i) Except as provided by Subsection (b), if the district
2-60 pays for or finances the cost of acquiring or operating a public
2-61 transit system or public parking facilities with resources other
2-62 than assessments, a petition of property owners or a public hearing
2-63 is not required.

2-64 (j) If the district's acquisition of property for a parking
2-65 facility that is leased to or operated by a private entity results
2-66 in the removal from a taxing unit's tax rolls of real property
2-67 otherwise subject to ad valorem taxation, the district shall pay to
2-68 the taxing unit in which the property is located, on or before
2-69 January 1 of each year, as a payment in lieu of taxes, an amount

3-1 equal to the ad valorem taxes that otherwise would have been levied
3-2 for the preceding tax year on that real property by the taxing unit,
3-3 without including the value of any improvements constructed on the
3-4 property.

3-5 SECTION 8. (a) The legislature validates and confirms all
3-6 acts and proceedings of the Harris County Improvement District No.
3-7 3 and the district's board of directors that occurred before the
3-8 effective date of this Act, including changing the district's name
3-9 from the "Upper Kirby Management District" to "Harris County
3-10 Improvement District No. 3."

3-11 (b) This section does not apply to any matter that on the
3-12 effective date of this Act:

3-13 (1) is involved in litigation, if the litigation
3-14 ultimately results in the matter being held invalid by a final
3-15 judgment of a court with jurisdiction; or

3-16 (2) has been held invalid by a court with
3-17 jurisdiction.

3-18 SECTION 9. This Act takes effect immediately if it receives
3-19 a vote of two-thirds of all the members elected to each house, as
3-20 provided by Section 39, Article III, Texas Constitution. If this
3-21 Act does not receive the vote necessary for immediate effect, this
3-22 Act takes effect September 1, 2003.

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