

By: Fraser

S.B. No. 1944

A BILL TO BE ENTITLED

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AN ACT

relating to the creation of the Temple Health and Bioscience Economic Development District; providing authority to impose a tax and issue bonds.

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

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),

1 applies to this Act.

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

4 ARTICLE 2. GENERAL PROVISIONS

5 SECTION 2.001. DEFINITIONS. In this Act:

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

8 (2) "Bond" means an interest-bearing obligation  
9 issued by the district under this Act, including a bond,  
10 certificate, note, or other evidence of indebtedness.

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

13 (4) "Director" means a board member.

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

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

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

23 ARTICLE 3. CREATION OF DISTRICT

24 SECTION 3.001. APPLICATION FOR PETITION TO CREATE DISTRICT.

25 (a) If 10 or more qualified voters of the City of Temple file a  
26 written application with the city, the city shall issue to the  
27 applicants a petition to be circulated among the qualified voters

1 of the city for the signatures of voters who desire that a local  
2 option election be called in the city to determine whether to create  
3 the district:

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

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

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

16 (c) At the request of petitioners under this section, a  
17 petition for a local option election to determine whether the  
18 district may impose an ad valorem tax may also express that at the  
19 same election the district shall be authorized to issue bonds  
20 payable in whole or in part from that ad valorem tax as permitted  
21 under Section 6.010.

22 SECTION 3.002. HEADING, STATEMENT, AND ISSUE ON APPLICATION  
23 FOR PETITION TO CREATE DISTRICT. (a) An application for a  
24 petition under Section 3.001 to create the district with the power  
25 to impose an ad valorem tax must be entitled: "Application for  
26 Local Option Election Petition to Create the Temple Health and  
27 Bioscience Economic Development District with the Power to Impose

1 an Ad Valorem Tax not to Exceed 15 Cents per \$100 Valuation of all  
2 Taxable Property in the District." The application must contain a  
3 statement just before the signatures of the applicants that reads  
4 substantially as follows: "The petitioners whose signatures appear  
5 on this petition intend that the Temple Health and Bioscience  
6 Economic Development District referred to in the issue set out  
7 above be created." If the petition also seeks an election to  
8 authorize the issuance of bonds by the district payable in whole or  
9 in part from ad valorem taxes, the statement: "and to Issue Bonds  
10 Payable in Whole or in Part from the Ad Valorem Tax" must be  
11 appended to the end of the title specified in this subsection.

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

21 (c) If the district initially is created without ad valorem  
22 taxing authority, an application for a petition under Section  
23 3.001(b) seeking an election to enable the district to impose an ad  
24 valorem tax not to exceed 15 cents per \$100 valuation of all taxable  
25 property in the district must be entitled: "Application for Local  
26 Option Election Petition to Enable the Temple Health and Bioscience  
27 Economic Development District to Impose an Ad Valorem Tax not to

1 Exceed 15 cents per \$100 Valuation of all Taxable Property in the  
2 District." The application must contain a statement just before  
3 the signatures of the applicants that reads substantially as  
4 follows: "The petitioners whose signatures appear on this petition  
5 intend that the Temple Health and Bioscience Economic Development  
6 District be enabled to impose an ad valorem tax not to exceed 15  
7 cents per \$100 valuation of all taxable property in the district."  
8 If the petition also seeks an election to authorize the issuance of  
9 bonds by the district payable in whole or in part from ad valorem  
10 taxes, the statement: "and to Issue Bonds Payable in Whole or in  
11 Part from the Ad Valorem Tax" must be appended to the title  
12 specified by this subsection.

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

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

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

24 SECTION 3.004. FILING AND VERIFICATION OF PETITION.

25 (a) Not later than the 120th day after the date on which a petition  
26 is issued by the City of Temple under Section 3.002, the applicants  
27 requesting the petition may file a request with the City of Temple

1 for the petition to be verified under Subsection (b).

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

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

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

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

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

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

18 SECTION 3.005. REQUIREMENTS TO ORDER ELECTION. (a) Not  
19 later than the date of the second regular session of the city  
20 council convened after a petition has been verified under Section  
21 3.004, the city council shall order a local option election to be  
22 held on the issue set out in the petition if the petition contains  
23 the following:

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

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

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

5           (4) each signer's printed name.

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

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

10           (2) the names of the signers; and

11           (3) the action taken on the petition.

12           SECTION 3.006. NOTICE AND CONDUCT OF ELECTION; RESULTS.

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

22           (b) The order calling the election must:

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

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

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

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

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

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

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

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

22           (d) The district is created if a majority of the registered  
23 voters of the proposed district voting at the election favor  
24 creation. The district may impose an ad valorem tax not to exceed  
25 the rate of 15 cents per \$100 valuation of all taxable property in  
26 the district if a majority of the registered voters of the district  
27 voting at the election favor its imposition. The district may issue



1 bonds payable wholly or partially from ad valorem taxes if a  
2 majority of the registered voters of the district voting at the  
3 election favor the authorization.

4 (e) If a majority of the registered voters of the proposed  
5 district voting at the election to create the district vote against  
6 creating the district, another election on the question of creating  
7 the district may not be held before the first anniversary of the  
8 date of the most recent election concerning the creation. If a  
9 majority of the registered voters of the district voting at the  
10 election to establish the power of the district to impose an ad  
11 valorem tax vote against the power, another election on the  
12 question may not be held before the first anniversary of the date of  
13 the most recent election concerning the question. If a majority of  
14 the registered voters of the district voting at the election to  
15 authorize the district to issue bonds payable wholly or partially  
16 from ad valorem taxes vote against the authorization, another  
17 election on the question may not be held before the first  
18 anniversary of the date of the most recent election concerning the  
19 question.

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

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

27 (b) In the resolution, the city council shall stagger the

1 terms of the directors appropriately so that four directors serve  
2 until directors are elected under Section 4.003(1) and three  
3 directors serve until directors are elected under Section 4.003(2).

4 ARTICLE 4. BOARD OF DIRECTORS

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

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

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

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

14 (2) three directors must be elected on the regular  
15 election day on which the other members of the city council of the  
16 City of Temple are elected.

17 SECTION 4.004. QUALIFICATIONS. A director:

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

20 (2) may not be:

21 (A) an elected official; or

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

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

27 SECTION 4.006. DIRECTOR'S BOND; OATH. (a) As soon as

1 practicable after a director is elected or appointed, the director  
2 shall execute a bond for \$10,000 payable to the district and  
3 conditioned on the faithful performance of the director's duties.

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

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

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

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

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

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

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

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

26 SECTION 4.010. EMPLOYEES; PERSONS HIRED BY BOARD. (a) The  
27 board shall employ any person the board considers necessary to

1 conduct district affairs, including:

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

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

14 (c) The board may remove any employee.

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

18 ARTICLE 5. POWERS AND DUTIES

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

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

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

26 SECTION 5.004. PROPERTY. The district may exercise any  
27 type of property right, including the power to acquire, sell, or

1 lease as lessee or lessor, regarding any type of property interest  
2 in the district or for use in the district under terms and  
3 conditions determined by the board.

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

8 SECTION 5.006. COMPETITIVE BIDDING. (a) Except as  
9 provided by Subsection (b), Section 375.221, Local Government Code,  
10 applies to the district.

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

13 (1) another governmental entity;

14 (2) a nonprofit corporation, including a scientific  
15 research corporation; or

16 (3) a corporation created under the Development  
17 Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil  
18 Statutes).

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

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

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

3                   (1) promote state or local economic development; and

4                   (2) stimulate business and commercial activity in the  
5 district that relates to a project.

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

8                   (1) make loans or grants of public money for a public  
9 purpose as provided by Section 52-a, Article III, Texas  
10 Constitution; or

11                   (2) provide district personnel and services for the  
12 program.

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

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

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

19                           (A) research and development;

20                           (B) invention and discovery;

21                           (C) commercialization;

22                           (D) production and manufacturing of goods and  
23 products, including facilities for manufacturing; and

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

- 1 (i) wet laboratories;
- 2 (ii) clean rooms;
- 3 (iii) dry laboratories;
- 4 (iv) research and development facilities;
- 5 (v) genetics facilities and equipment;
- 6 (vi) pharmaceutical facilities and  
7 equipment;
- 8 (vii) biotechnology incubators;
- 9 (viii) bioscience and biotech health care  
10 facilities;
- 11 (ix) biotech facilities;
- 12 (x) bioscience facilities; and
- 13 (xi) other similar projects;
- 14 (2) bioscience education, including health or biotech  
15 education facilities regardless of any affiliation with other  
16 institutions of higher, vocational, or job training education;
- 17 (3) access to public safety facilities and equipment;
- 18 (4) streets and roads;
- 19 (5) drainage services;
- 20 (6) wastewater services;
- 21 (7) potable water services;
- 22 (8) telecommunication facilities;
- 23 (9) demolition of existing structures;
- 24 (10) development and institution of water  
25 conservation programs;
- 26 (11) chilled water services;
- 27 (12) steam services;

1 (13) industrial gases services;

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

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

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

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

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

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

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

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

23 (b) The board shall appoint the board of directors of a  
24 nonprofit corporation. The board may appoint a director of the  
25 district's board to serve as a director of the nonprofit  
26 corporation. The board of directors of the nonprofit corporation  
27 shall serve in the same manner as the board of directors of a local



1 government corporation created under Chapter 431, Transportation  
2 Code.

3 (c) The nonprofit corporation:

4 (1) has the powers of and is considered for purposes of  
5 this Act to be a local government corporation created under Chapter  
6 431, Transportation Code; and

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

9 ARTICLE 6. GENERAL FINANCIAL PROVISIONS

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

12 (1) for projects; and

13 (2) district bonds or other obligations.

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

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

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

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

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

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

1 district.

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

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

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

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

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

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

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

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

21 SECTION 6.008. ASSESSMENTS. The district may impose an  
22 assessment on property in the district, including a leasehold  
23 interest, by agreement with the property owner.

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

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

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

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

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

11                           ARTICLE 7. AD VALOREM TAX

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

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

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

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

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

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

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

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

26                           ARTICLE 8. DISSOLUTION OF DISTRICT

27           SECTION 8.001. DISSOLUTION OF DISTRICT. The district may

1 be dissolved only as provided by this article.

2 SECTION 8.002. DISSOLUTION BY ORDER OF CITY COUNCIL.

3 (a) The board may petition the city council to dissolve the  
4 district if the board finds that the district:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15                           ARTICLE 9. EFFECTIVE DATE

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