

AN ACT

relating to the creation and authority of municipal development districts.

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

SECTION 1. Subdivision (3), Section 377.001, Local Government Code, is amended to read as follows:

(3) "Development project" [+

~~(A)~~] means:

(A) ~~(i)~~ a "project" as that term is defined by Section 4B(a), Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes); or

(B) ~~and (ii)~~ a convention center facility or related improvement such as a convention center, civic center, civic center building, civic center hotel, or auditorium, including ~~, and~~

~~(B) includes~~ parking areas or facilities that are used to park vehicles and that are located at or in the vicinity of other convention center facilities.

SECTION 2. Section 377.002, Local Government Code, is amended to read as follows:

Sec. 377.002. SCOPE ~~[APPLICABILITY]~~. (a) A ~~[This chapter applies only to a]~~ municipality may create a district as provided in this chapter in:

(1) all or part of the boundaries of the municipality;

1 (2) all or part of the boundaries of the municipality
2 and all or part of the boundaries of the municipality's
3 extraterritorial jurisdiction; or

4 (3) all or part of the municipality's extraterritorial
5 jurisdiction [~~that is located in more than one county~~].

6 (b) The municipality may include territory outside of the
7 municipality only to the extent that territory is in the
8 municipality's extraterritorial jurisdiction.

9 SECTION 3. Subchapter A, Chapter 377, Local Government
10 Code, is amended by adding Section 377.003 to read as follows:

11 Sec. 377.003. CONSTITUTIONAL PURPOSE. This chapter creates
12 a program under Section 52-a, Article III, Texas Constitution.

13 SECTION 4. Subsections (b), (e), and (g), Section 377.021,
14 Local Government Code, are amended to read as follows:

15 (b) The order calling the election must:

16 (1) define the boundaries of the district [~~to include~~
17 ~~all or part of the boundaries of the municipality~~]; and

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

20 (e) If a majority of the registered voters of the proposed
21 district voting at the election to create the district vote against
22 creation of the district, the municipality may not hold another
23 election on the question of creating a municipal development
24 district [~~may not be held in the municipality~~] before the first
25 anniversary of the most recent election concerning creation of a
26 district.

27 (g) In the order calling the election, the municipality may

1 provide for the district boundaries to conform automatically to any
2 changes in the boundaries of the portion of the municipality or the
3 municipality's extraterritorial jurisdiction included in the
4 district, and the election shall be held on one of the four uniform
5 election dates under Section 41.001, Election Code.

6 SECTION 5. Subsection (a), Section 377.022, Local
7 Government Code, is amended to read as follows:

8 (a) A district is a political subdivision of this state and
9 of the municipality that created [~~in which~~] the district [~~is~~
10 ~~located~~].

11 SECTION 6. Subsections (b) and (d), Section 377.051, Local
12 Government Code, are amended to read as follows:

13 (b) The board is appointed by the governing body of the
14 municipality that created [~~in which~~] the district [~~is located~~].

15 (d) To qualify to serve as a director, a person must reside
16 in [~~be a resident of~~] the municipality that created the district or
17 in that municipality's extraterritorial jurisdiction [~~in which the~~
18 ~~district is located~~]. An employee, officer, or member of the
19 governing body of the municipality may serve as a director, but may
20 not have a personal interest in a contract executed by the district
21 other than as an employee, officer, or member of the governing body
22 of the municipality.

23 SECTION 7. Section 377.053, Local Government Code, is
24 amended to read as follows:

25 Sec. 377.053. MEETINGS. The board shall conduct its
26 meetings in the municipality that created [~~in which~~] the district
27 [~~is located~~].

1 SECTION 8. This Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 466 passed the Senate on March 17, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 466 passed the House on May 13, 2005, by a non-record vote.

Chief Clerk of the House

Approved:

Date

Governor