

By: Fraser

S.B. No. 466

A BILL TO BE ENTITLED

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. Section 377.001(3), 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 ~~and~~

(B) ~~(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. Subchapter A, Chapter 377, Local Government Code, is amended by adding Section 377.003 to read as follows:

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

SECTION 3. Sections 377.021(b), (e), and (g), Local Government Code, are amended to read as follows:

1 (b) The order calling the election must:

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

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

6 (e) If a majority of the registered voters of the proposed
7 district voting at the election to create the district vote against
8 creation of the district, the municipality may not hold another
9 election on the question of creating a municipal development
10 district [~~may not be held in the municipality~~] before the first
11 anniversary of the most recent election concerning creation of a
12 district.

13 (g) In the order calling the election, the municipality may
14 provide for the district boundaries to conform automatically to any
15 changes in the boundaries of the portion of the municipality or the
16 municipality's extraterritorial jurisdiction included in the
17 district, and the election shall be held on one of the four uniform
18 election dates under Section 41.001, Election Code.

19 SECTION 4. Section 377.022(a), Local Government Code, is
20 amended to read as follows:

21 (a) A district is a political subdivision of this state and
22 of the municipality that created [~~in which~~] the district [~~is~~
23 ~~located~~].

24 SECTION 5. Subchapter B, Chapter 377, Local Government
25 Code, is amended by adding Section 377.023 to read as follows:

26 Sec. 377.023. DISTRICT BOUNDARIES. The municipality shall
27 define the boundaries in the order under Section 377.021 to include

1 all or any part of the municipality or the municipality's
2 extraterritorial jurisdiction. The municipality may include
3 territory outside of the municipality only to the extent that
4 territory is in the municipality's extraterritorial jurisdiction.

5 SECTION 6. Sections 377.051(b) and (d), Local Government
6 Code, are amended to read as follows:

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

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

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

19 Sec. 377.053. MEETINGS. The board shall conduct its
20 meetings in the municipality that created ~~[in which]~~ the district
21 ~~[is located]~~.

22 SECTION 8. Section 377.002, Local Government Code, is
23 repealed.

24 SECTION 9. This Act takes effect September 1, 2005.