Amend CSHB 3223 by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Section 372.102, Local Government Code, is amended to read as follows:

Sec. 372.102. <u>NATURE OF DISTRICT;</u> PURPOSE. <u>(a) A district</u> is created under Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

(b) By enacting this subchapter, the legislature has created a program for economic development as provided in Section 52-a, Article III, Texas Constitution. A county may engage in economic development projects as provided by this subchapter, and, on a determination of the commissioners court of the county to create a district, may delegate the authority to oversee and manage the economic development project to an appointed board of directors. In appointing a board, the commissioners court delegates its authority to serve a public use and benefit.

SECTION ____. Sections 372.126(a) and (c), Local Government Code, are amended to read as follows:

(a) A district may not issue bonds unless approved by the commissioners court of the county that created the district. <u>Bonds</u> [If the population in the district is more than 1,000, the bonds] may not be issued unless approved by a majority of the voters of the district voting in an election held for that purpose. A bond election under this subsection does not affect prior bond issuances and is not required for refunding bond issuances.

(c) If the commissioners court grants approval under this section, bonds, notes, and other district obligations may be secured by district revenue or any type of district taxes or assessments, or any combination of taxes and revenue pledged to the payment of bonds.

SECTION ____. Section 372.130, Local Government Code, is amended by amending Subsection (b) and adding Subsections (c) and (d) to read as follows:

(b) Except as otherwise provided in this subchapter, a sales and use tax must be imposed in accordance with Chapter 383, Local Government Code, <u>or</u> [and] Chapter 323, Tax Code.

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(c) The ballot for a sales tax election shall be printed to provide for voting for or against the proposition: "A sales and use tax at a rate not to exceed ____ [insert percentage rate] in the ____ [insert name of district]" or "The adoption of a ____ [insert percentage rate] sales and use tax in the ____ [insert name of district]."

(d) A tax authorized at an election held under this section may be imposed at a rate less than or equal to the rate printed in the ballot proposition.

SECTION _____. (a) All acts and proceedings related to the authorization of any taxes or bonds, including acts and proceedings related to an election, by a district created under Subchapter C, Chapter 372, Local Government Code, before the effective date of this Act are validated, ratified, and confirmed in all respects as if the acts and proceedings occurred as authorized by law.

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

(1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment; or

(2) has been held invalid by a final court judgment.