

1-1 By: Laubenberg (Senate Sponsor - Harris) H.B. No. 3706  
1-2 (In the Senate - Received from the House May 14, 2007;  
1-3 May 15, 2007, read first time and referred to Committee on Business  
1-4 and Commerce; May 19, 2007, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 6, Nays 0;  
1-6 May 19, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 3706 By: Harris

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the creation, powers, and duties of film districts.  
1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
1-12 SECTION 1. Subtitle A, Title 10, Local Government Code, is  
1-13 amended by adding Chapter 309 to read as follows:  
1-14 CHAPTER 309. FILM DISTRICTS  
1-15 SUBCHAPTER A. GENERAL PROVISIONS  
1-16 Sec. 309.001. DEFINITIONS. In this chapter:  
1-17 (1) "Board" means a district's board of directors.  
1-18 (2) "District" means a film district created under  
1-19 this chapter.  
1-20 Sec. 309.002. NATURE OF DISTRICT. A district is a political  
1-21 subdivision of this state and a special district.  
1-22 [Sections 309.003-309.050 reserved for expansion]  
1-23 SUBCHAPTER B. CREATION  
1-24 Sec. 309.051. CREATION BY POPULOUS MUNICIPALITY. A  
1-25 municipality with a population of one million or more may create a  
1-26 district as provided by this subchapter to promote the film  
1-27 industry in a designated area in the municipality.  
1-28 Sec. 309.052. HEARING. Before creating a district, the  
1-29 governing body of a municipality must hold a hearing on the purposes  
1-30 and advisability of creating the district. Any interested person  
1-31 may speak at the hearing.  
1-32 Sec. 309.053. ORDER CREATING DISTRICT; INITIAL DIRECTORS.  
1-33 (a) After a hearing under Section 309.052, if a governing body  
1-34 finds that the municipality and the designated area would benefit  
1-35 from the district's creation, the governing body by order may  
1-36 create the district.  
1-37 (b) The order must specify:  
1-38 (1) the district's boundaries, which must be wholly in  
1-39 the municipality;  
1-40 (2) the number and qualifications of directors to be  
1-41 appointed under Section 309.103; and  
1-42 (3) the initial directors and the terms of those  
1-43 initial directors, consistent with Subsection (c).  
1-44 (c) The initial directors' terms must be staggered, with as  
1-45 near as possible to half of the directors' terms expiring on the  
1-46 same date in not more than one year and the remainder expiring on  
1-47 the same date in not more than two years.  
1-48 [Sections 309.054-309.100 reserved for expansion]  
1-49 SUBCHAPTER C. BOARD OF DIRECTORS  
1-50 Sec. 309.101. GOVERNING BODY. A district is governed by a  
1-51 board of at least seven directors.  
1-52 Sec. 309.102. TERMS. Directors serve staggered two-year  
1-53 terms.  
1-54 Sec. 309.103. APPOINTMENT BY MUNICIPALITY. The governing  
1-55 body of a municipality that creates a district shall appoint the  
1-56 directors as provided by the order creating the district. The  
1-57 directors must include:  
1-58 (1) two directors who represent the interests of the  
1-59 municipality and reside in the municipality;  
1-60 (2) one director who represents a local or regional  
1-61 film commission that:  
1-62 (A) is part of an international professional and  
1-63 educational organization for film commissions; and

2-1 (B) has an office located in the municipality, if  
2-2 a film commission described by Paragraph (A) has an office located  
2-3 in the municipality;

2-4 (3) one director who represents a school district that  
2-5 has the majority of its territory located in the municipality;

2-6 (4) one director who represents an institution of  
2-7 higher education, as defined by Section 61.003, Education Code,  
2-8 located in the municipality;

2-9 (5) one director who represents a public junior  
2-10 college, as defined by Section 61.003, Education Code, located in  
2-11 the municipality; and

2-12 (6) any other directors as provided by the order  
2-13 creating the district.

2-14 Sec. 309.104. COMPENSATION; EXPENSES. A director is not  
2-15 entitled to compensation but is entitled to reimbursement for  
2-16 actual and necessary expenses.

2-17 Sec. 309.105. OFFICERS. A board shall elect a presiding  
2-18 officer, secretary, treasurer, and any other officers the board  
2-19 considers necessary.

2-20 [Sections 309.106-309.150 reserved for expansion]

2-21 SUBCHAPTER D. POWERS AND DUTIES

2-22 Sec. 309.151. PROMOTION OF FILM INDUSTRY. A district shall  
2-23 promote the film industry in the district.

2-24 Sec. 309.152. PARTNERSHIP WITH LOCAL COMMUNITIES. A  
2-25 district shall act jointly with the municipality, local businesses,  
2-26 the film industry, and other local communities to promote the film  
2-27 industry in the district.

2-28 Sec. 309.153. INCENTIVES. A district may provide  
2-29 incentives to promote the film industry in the district.

2-30 Sec. 309.154. DONATIONS; GRANTS. A district may accept a  
2-31 donation or grant from any person for any district purpose.

2-32 Sec. 309.155. EXECUTIVE DIRECTOR; EMPLOYEES. A district  
2-33 may hire an executive director and other employees.

2-34 [Sections 309.156-309.200 reserved for expansion]

2-35 SUBCHAPTER E. FINANCIAL PROVISIONS

2-36 Sec. 309.201. BORROWING. A district may borrow money from  
2-37 any person for any district purpose.

2-38 [Sections 309.202-309.250 reserved for expansion]

2-39 SUBCHAPTER F. DISSOLUTION

2-40 Sec. 309.251. DISSOLUTION. A board may dissolve a district  
2-41 that has no debt.

2-42 SECTION 2. This Act takes effect immediately if it receives  
2-43 a vote of two-thirds of all the members elected to each house, as  
2-44 provided by Section 39, Article III, Texas Constitution. If this  
2-45 Act does not receive the vote necessary for immediate effect, this  
2-46 Act takes effect September 1, 2007.

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