

Amend HB 1089 as follows:

(1) On page 1, line 22, between "PROJECTS." and "Under", insert "(a)".

(2) On page 2, between lines 3 and 4, insert:

(b) The district may exercise its authority under this section only on or after the date the governing body of the municipality in whose extraterritorial jurisdiction any part of the district is located by resolution consents to the district exercising that authority. If the governing body of the municipality does not adopt a resolution under this section consenting to the district's road project authority before January 1, 2010, this section and Sections 8308.053 and 8308.054 expire on that date.

(3) On page 2, strike lines 17 through 22 and substitute:

Sec. 8308.054. ECONOMIC FEASIBILITY STUDY. (a) Not later than the 30th day before the date the district issues for a road purpose bonds payable from ad valorem taxes of the district, the district shall deliver to the municipality whose extraterritorial jurisdiction includes district territory a report of the conclusions of an independent economic feasibility study that support the ability of the district to pay debt service on the bonds under consideration at a tax rate of 95 cents or less per \$100 assessed valuation on all property subject to taxation by the district, assuming a 95 percent collection rate.

(b) The economic feasibility study must establish:

(1) the ability of the district to issue the bonds based on:

(A) land values in the district;

(B) the tax rate necessary to support the district's payment of debt service on the district's ad valorem tax bonds; and

(C) other factors enabling the district to support a reasonable tax rate for debt service; and

(2) the value of projected improvements to be financed by the bonds.

(c) The district may not issue the bonds unless the governing body of the district approves the conclusions of the

economic feasibility study. Not later than the 30th day after the date the municipality receives the study report, the governing body of the municipality shall either approve or disapprove the conclusions. If the governing body of the municipality does not approve or disapprove the conclusions by that 30th day, the conclusions are considered approved.

(d) If the Texas Commission on Environmental Quality assumes jurisdiction over the district's issuance of bonds for a road purpose, this section expires on the day after the date the commission assumes the jurisdiction.

(4) On page 4, line 16, between "PROJECTS." and "Under", insert "(a)".

(5) On page 4, between lines 21 and 22, insert:

(b) The district may exercise its authority under this section only on or after the date the governing body of the municipality in whose extraterritorial jurisdiction any part of the district is located by resolution consents to the district exercising that authority. If the governing body of the municipality does not adopt a resolution under this section consenting to the district's road project authority before January 1, 2010, this section and Sections 8309.053 and 8309.054 expire on that date.

(6) On page 5, strike lines 8 through 13 and substitute:

Sec. 8308.054. ECONOMIC FEASIBILITY STUDY. (a) Not later than the 30th day before the date the district issues for a road purpose bonds payable from ad valorem taxes of the district, the district shall deliver to the municipality whose extraterritorial jurisdiction includes district territory a report of the conclusions of an independent economic feasibility study that support the ability of the district to pay debt service on the bonds under consideration at a tax rate of 95 cents or less per \$100 assessed valuation on all property subject to taxation by the district, assuming a 95 percent collection rate.

(b) The economic feasibility study must establish:

(1) the ability of the district to issue the bonds based on:

(A) land values in the district;

(B) the tax rate necessary to support the district's payment of debt service on the district's ad valorem tax bonds; and

(C) other factors enabling the district to support a reasonable tax rate for debt service; and

(2) the value of projected improvements to be financed by the bonds.

(c) The district may not issue the bonds unless the governing body of the district approves the conclusions of the economic feasibility study. Not later than the 30th day after the date the municipality receives the study report, the governing body of the municipality shall either approve or disapprove the conclusions. If the governing body of the municipality does not approve or disapprove the conclusions by that 30th day, the conclusions are considered approved.

(d) If the Texas Commission on Environmental Quality assumes jurisdiction over the district's issuance of bonds for a road purpose, this section expires on the day after the date the commission assumes the jurisdiction.