

By: Sheffield

H.B. No. 1640

A BILL TO BE ENTITLED

AN ACT

relating to the purposes and powers of the Temple Health and Bioscience Economic Development District.

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

SECTION 1. Section 3831.002, Special District Local Laws Code, is amended by amending Subsection (a) and adding Subsection (e) to read as follows:

(a) The creation of the district is essential to accomplish the purposes of Section 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and to accomplish other public purposes stated in this chapter, including:

(1) development and diversification of the economy of the state;

(2) the elimination of unemployment or underemployment in the state;

(3) the stimulation of agricultural innovation;

(4) fostering the growth of enterprises based on agriculture; and

(5) the development or expansion of transportation or commerce in the state.

(e) Property owners in the district benefit from the district and its activities.

SECTION 2. Subchapter A, Chapter 3831, Special District Local Laws Code, is amended by adding Section 3831.006 to read as

1 follows:

2 Sec. 3831.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

3 (a) All or part of the area of the district is eligible to be
4 included in:

5 (1) a tax increment reinvestment zone created by the
6 City of Temple under Chapter 311, Tax Code; or

7 (2) a tax abatement reinvestment zone created by the
8 City of Temple under Chapter 312, Tax Code.

9 (b) If the City of Temple creates a tax increment
10 reinvestment zone described by Subsection (a), the city and the
11 board of directors of the zone, by contract with the district, may:

12 (1) grant money deposited in the tax increment fund to
13 the district to be used by the district for any purpose, including
14 pledging the money as security for any bonds issued by the district
15 for an improvement project; or

16 (2) give the district the power to manage or implement
17 a reinvestment zone's project or financing plans.

18 SECTION 3. Section 3831.104, Special District Local Laws
19 Code, is amended to read as follows:

20 Sec. 3831.104. PROPERTY. The district may exercise any
21 type of property right, including the power to acquire, sell, or
22 lease as lessee or lessor, regarding any type of property interest
23 located inside or outside the boundaries of the district [~~in the~~
24 ~~district or for use in the district~~] under terms determined by the
25 board.

26 SECTION 4. Section 3831.109, Special District Local Laws
27 Code, is amended to read as follows:

1 Sec. 3831.109. FEES FOR USE OF DISTRICT IMPROVEMENTS. The
2 district may establish and maintain reasonable and
3 nondiscriminatory rates, fares, charges, rents, or other fees or
4 compensation for the use of the improvements constructed, operated,
5 leased to or by, or maintained by the district.

6 SECTION 5. Section 3831.111(a), Special District Local Laws
7 Code, is amended to read as follows:

8 (a) The district may establish projects inside or outside
9 the boundaries of the district for:

10 (1) bioscience and health products, including
11 projects related to:

12 (A) research and development;

13 (B) invention and discovery;

14 (C) commercialization;

15 (D) production and manufacturing of goods and
16 products, including projects for manufacturing facilities; and

17 (E) development of production process and
18 delivery system purposes in, involved in, based on, or related to,
19 or intended to advance the state of knowledge, skill, and
20 understanding of, the biosciences, including:

21 (i) wet laboratories;

22 (ii) clean rooms;

23 (iii) dry laboratories;

24 (iv) research and development facilities;

25 (v) genetics facilities and equipment;

26 (vi) pharmaceutical facilities and
27 equipment;

- 1 (vii) biotechnology incubators;
- 2 (viii) bioscience and biotechnology health
- 3 care facilities;
- 4 (ix) biotechnology facilities;
- 5 (x) bioscience facilities; and
- 6 (xi) other similar projects;
- 7 (2) bioscience education, including projects for
- 8 health or biotechnology education facilities, regardless of any
- 9 affiliation with other institutions of higher, vocational, or job
- 10 training education;
- 11 (3) access to public safety facilities and equipment;
- 12 (4) streets and roads;
- 13 (5) drainage services;
- 14 (6) wastewater services;
- 15 (7) potable water services;
- 16 (8) telecommunication facilities;
- 17 (9) demolition of existing structures;
- 18 (10) development and institution of water
- 19 conservation programs;
- 20 (11) chilled water services;
- 21 (12) steam services;
- 22 (13) industrial gases services;
- 23 (14) other utility and process and production
- 24 services; or
- 25 (15) the support of any other type of health or
- 26 bioscience projects.

27 SECTION 6. Section 3831.114(a), Special District Local Laws

1 Code, is amended to read as follows:

2 (a) The board by resolution may authorize the creation of a
3 nonprofit corporation[~~, including a scientific corporation,~~] under
4 the Business Organizations Code. The nonprofit corporation may be
5 organized to perform biomedical or scientific research or
6 biomedical or scientific education for the benefit of the public.
7 The nonprofit corporation shall assist and act for the district in
8 implementing a project or providing a service authorized by this
9 chapter or Chapter 431, Transportation Code.

10 SECTION 7. Section 3831.160, Special District Local Laws
11 Code, is amended by amending Subsection (a) and adding Subsections
12 (c), (d), (e), (f), and (g) to read as follows:

13 (a) The district may issue obligations, including revenue
14 bonds, to pay the costs of a project located inside or outside the
15 boundaries of [in] the district. The proceeds of bonds or other
16 obligations that are payable wholly or partly from ad valorem taxes
17 may not be used for a project located outside the district.

18 (c) Revenue bonds or other district obligations may be
19 payable from and secured by:

20 (1) revenue derived from the district's operations,
21 including district projects;

22 (2) proceeds of a grant or other funds received by the
23 district;

24 (3) revenue derived from a lease or contract entered
25 into by the district; or

26 (4) assessments collected by the district.

27 (d) Revenue bonds or other district obligations may be

1 secured by a mortgage or deed of trust lien on the district's
2 interest in a project or property, including a fee title or a
3 leasehold interest.

4 (e) The district may issue general obligation bonds if
5 general obligation bonds are authorized by an election held under
6 Subchapter F.

7 (f) For purposes of this chapter, the district:

8 (1) is an issuer under Chapter 1371, Government Code,
9 and may issue bonds or obligations under that chapter; and

10 (2) may issue refunding bonds or obligations under
11 Chapter 1207, Government Code.

12 (g) Except for water, sewer, or drainage projects financed
13 by taxes imposed by the district, the district may issue bonds or
14 other obligations and pursue projects without an order of the Texas
15 Commission on Environmental Quality under Section 49.181(a), Water
16 Code.

17 SECTION 8. Section 3831.201, Special District Local Laws
18 Code, is amended to read as follows:

19 Sec. 3831.201. IMPOSITION OF AD VALOREM TAX. If authorized
20 at an election held under Section 3831.255, the district by order:

21 (1) may [~~by order~~] impose an annual ad valorem tax on
22 taxable property in the district to pay for projects or district
23 operating expenses; and

24 (2) shall [~~by order~~] impose an ad valorem tax to pay
25 for obligations that are payable wholly or partly from ad valorem
26 taxes.

27 SECTION 9. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2009.