

By: Williams

S.B. No. 2515

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the administration, powers and duties, operations, and
3 financing of The Woodlands Township; providing authority to impose
4 an events admission tax.

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

6 SECTION 1. Subsection (c), Section 1, Chapter 289, Acts of
7 the 73rd Legislature, Regular Session, 1993, is amended to read as
8 follows:

9 (c) The name of the district may be changed by resolution of
10 the board of directors of the district at any time. A reference in
11 this Act to the district means the name of the district as changed.

12 SECTION 2. Section 7, Chapter 289, Acts of the 73rd
13 Legislature, Regular Session, 1993, is amended by adding
14 Subsections (s), (t), (u), (v), (w), (x), (y), (z), (aa), (bb),
15 (cc), and (dd) to read as follows:

16 (s) The district may make, enter into, and enforce tax
17 abatement agreements in the same manner as other taxing units under
18 Chapter 312, Tax Code. Before an ad valorem tax is first imposed,
19 the district may enter into a tax abatement agreement with the owner
20 of property subject to a tax abatement agreement with a county in
21 which any part of the district is located. The agreement may
22 provide for the parties to be bound by the same terms as the county
23 agreement for the remaining term of the county agreement and
24 provide for the same share of the property exempted by the county

1 agreement to be exempted from taxation by the district in each
2 remaining year of the county agreement.

3 (t) In order to promote business retention, sustain
4 employment, and prevent substandard and blighted housing
5 conditions, the district may:

6 (1) except as otherwise provided by this subsection
7 and in the same manner as a qualified association, assume, accept an
8 assignment of, succeed to, or contract to undertake, exercise, or
9 perform:

10 (A) all or part of the rights, powers,
11 privileges, duties, responsibilities, assets, liabilities, and
12 obligations of a qualified association under community covenants;

13 (B) any contracts, agreements, leases,
14 commitments, loans, pledges, instruments of indebtedness, or other
15 undertakings with any person, regardless of whether the person is a
16 qualified association, in the exercise of the rights, powers,
17 privileges, duties, or responsibilities described by Paragraph
18 (A);

19 (C) the administration, enforcement, amendment,
20 supplementation, repeal, revocation, or rescission of a community
21 covenant as provided by the covenant; or

22 (D) the functions, duties, and responsibilities
23 of the board of directors of a qualified association, without the
24 necessity of electing or appointing members of the board of
25 directors of the qualified association;

26 (2) administer and perform procedures established in a
27 community covenant or a related agreement for the selection or

1 appointment of members or officers to committees, village
2 association governing bodies, or similar positions;

3 (3) arrange or contract with one or more
4 municipalities, political subdivisions, or nonprofit organizations
5 for the provision of services and facilities to all or part of the
6 territory in or adjacent to the district that are substantially
7 equivalent to the services or facilities provided by the district
8 or a qualified association in the district, provided that the
9 district may not transfer, assign, or abrogate responsibility for
10 the administration or enforcement of any land use restrictions or
11 negative covenants included in a community covenant that apply to
12 land in or adjacent to the district;

13 (4) own, acquire, construct, improve, repair,
14 rehabilitate, operate, maintain, lease, purchase, sell, dispose
15 of, encumber, abandon, or remove:

16 (A) any buildings, improvements, or facilities;
17 or

18 (B) any real, personal, or mixed property; and

19 (5) assess, charge, collect, pledge, encumber, and
20 apply any fees, rents, charges, or proceeds received for the use,
21 enjoyment, or disposition of a building, improvement, facility, or
22 property or for a service or facility.

23 (u) The actions and proceedings of the district and the
24 board of directors under Subsection (t) of this section are
25 governmental functions. Title 11, Property Code, does not apply to
26 the district. This Act may not be construed as constituting a
27 waiver of governmental or sovereign immunity from suit, liability,

1 or judgment.

2 (v) In this section:

3 (1) "Qualified association" means a nonprofit
4 property owners' association created and operated by a planned
5 community, as that term is defined by Section 43.0754, Local
6 Government Code.

7 (2) "Community covenant" means recorded land use
8 restrictions and covenants applicable to a planned community, as
9 that term is defined by Section 43.0754, Local Government Code.

10 (w) The district may develop and maintain and may sell,
11 lease, encumber, abandon, or dispose of recreational facilities,
12 including an open space and a related street, sidewalk, path,
13 building, structure, improvement, or appurtenance. Subchapter N,
14 Chapter 49, Water Code, does not apply to the district, except that
15 the terms "develop and maintain" and "recreational facilities" have
16 the meanings assigned by Section 49.462 of that chapter.

17 (x) The district is a special district but is treated as a
18 conservation and reclamation district that is entitled to
19 participate in the election of the board of directors of an
20 appraisal district for the purposes of Section 6.03, Tax Code.

21 (y) The district and a county tax assessor-collector may
22 contract for the collection of the delinquent assessments of a
23 qualified association for which the district has been assigned and
24 has assumed the duties, functions, and responsibilities. The
25 assessments may be collected through the use of the county's tax
26 billing and collection procedures or other mutually agreeable
27 means. A suit for collection of delinquent assessments under this

1 subsection:

2 (1) has the same priority and preference as a
3 delinquent tax collection suit; and

4 (2) shall be conducted in the same manner as a
5 delinquent tax collection suit.

6 (z) The district has the same rights and powers as a
7 municipality annexing territory in a district that provides
8 emergency services to cause all or part of the territory of the
9 district to be removed from the district providing emergency
10 services.

11 (aa) The board of directors by resolution may cause district
12 territory described in the resolution to be removed from the
13 boundaries and taxing jurisdiction of a transit authority whose
14 territory overlaps the district's territory if the district and a
15 municipality enter into a regional participation agreement under
16 Section 43.0754, Local Government Code, that requires the district
17 to deposit money into a regional participation fund for the
18 purpose, among others, of funding mobility projects of mutual
19 benefit to the district and municipality. A removal of territory
20 under this subsection takes effect on the date the board provides a
21 certified copy of the resolution to:

22 (1) the transit authority; and

23 (2) the comptroller.

24 (bb) Subject to approval by the county, the district by
25 rule, order, or resolution may, in the same manner provided for a
26 municipality by Chapter 393, Transportation Code, and Section
27 216.901, Local Government Code:

1 (1) prohibit, regulate, or authorize placement of
2 signs on the right-of-way of a road or highway maintained by the
3 county within the district, other than standard traffic control or
4 directional signs; or

5 (2) administer a kiosk program as provided by Section
6 393.0026, Transportation Code.

7 (cc) The district may enter into an interlocal agreement
8 with the county under which the county grants the district
9 permission to prohibit, regulate, or authorize placement of a
10 specific type or class of sign on the right-of-way of a highway that
11 is maintained by the county and located within the district.

12 (dd) Subsections (bb) and (cc) do not apply to a sign
13 regulated by another municipality, if all or part of the territory
14 of the district is incorporated, that is located within the
15 exclusive extraterritorial jurisdiction of that other
16 municipality.

17 SECTION 3. Section 7F, Chapter 289, Acts of the 73rd
18 Legislature, Regular Session, 1993, is amended by amending
19 Subsections (a) and (c) and adding Subsections (d), (e), (f), and
20 (g) to read as follows:

21 (a) In this section:

22 (1) "Fire-fighting services" has the meaning assigned
23 by Section 49.351(k), Water Code.

24 (2) "Fire[~~,"~~ "fire] protection personnel" has the
25 meaning assigned by Section 419.021, Government Code, except that a
26 reference to a fire department includes a nonprofit corporation
27 employing fire protection personnel and providing fire-fighting

1 services that is owned, operated, or controlled by the district.

2 (c) Before January 1, 2012 [~~2010~~], the district may not
3 directly employ any fire protection personnel but may own, operate,
4 or control a nonprofit corporation employing fire protection
5 personnel and providing fire-fighting services. This subsection
6 expires February [~~January~~] 1, 2012 [~~2010~~].

7 (d) Except as provided by Subsection (c) of this section, a
8 district may:

9 (1) directly, or through a nonprofit corporation
10 created, funded, owned, operated, or controlled by the district,
11 establish, acquire, operate, and maintain a fire department to
12 perform fire-fighting services in or adjacent to the district; and

13 (2) issue public securities, including public
14 securities approved by district voters and payable wholly or partly
15 from ad valorem taxes, to finance the construction, acquisition,
16 improvement, renovation, repair, or rehabilitation of any related
17 buildings, facilities, interests in land, equipment, or supplies.

18 (e) Subchapter L, Chapter 49, Water Code, does not apply to
19 the district.

20 (f) Unless other law requires a prior election, the district
21 shall hold an election to determine whether the district shall
22 adopt the provisions of Chapter 174, Local Government Code, if the
23 district receives a timely petition signed by a majority of the fire
24 protection personnel of the fire department of the district or of
25 any nonprofit corporation owned, operated, or controlled by the
26 district. On receipt and verification of the petition, the
27 district shall hold the election on a uniform election date that

1 occurs not later than the date of the last authorized uniform
2 election date in 2011 and shall conduct the election in compliance
3 with applicable law and Chapter 174, Local Government Code. This
4 subsection expires January 1, 2012.

5 (g) If an election is called under Subsection (f) of this
6 section and a majority of the voters voting in the election approve
7 the adoption by the district of the provisions of Chapter 174, Local
8 Government Code, the provisions of that chapter shall be binding on
9 the district when the district, or any municipality or other form of
10 local government succeeding to the principal assets, functions, and
11 liabilities of the district, directly employs fire protection
12 personnel. The results of the election shall continue in effect
13 unless the adoption of Chapter 174, Local Government Code, is
14 repealed in the manner provided by that chapter. A collective
15 bargaining agreement made and entered into by the district under
16 Chapter 174, Local Government Code, shall be binding on a successor
17 municipality or local government.

18 SECTION 4. Chapter 289, Acts of the 73rd Legislature,
19 Regular Session, 1993, is amended by adding Section 7H to read as
20 follows:

21 Sec. 7H. EVENT ADMISSIONS TAX. (a) In this section:

22 (1) "Cultural education" means the exhibition or
23 promotion of or education about the performing, dramatic, visual,
24 literary, or fine arts, including historical, geological,
25 archeological, or paleontological sciences, and history, natural
26 history, scientific, cultural, ethnic, or heritage education
27 meeting local community standards in the district.

1 (2) "Event" means any performance, exhibition,
2 showing, or similar presentation at a venue for which an admission
3 fee or charge is imposed by the venue user, including a cultural
4 education event.

5 (3) "Venue" means an indoor or outdoor theater, music,
6 exhibition, rehearsal, or concert hall, opera house, auditorium,
7 park, zoo, museum, aquarium, plaza, civic center, or similar
8 building or forum in the district, other than a motion picture
9 theater, regardless of whether the district owns, operates, leases,
10 finances, or uses the venue.

11 (4) "Venue user" means an owner, lessee, operator, or
12 other user of a venue that:

13 (A) is not a governmental entity; and

14 (B) presents more than four events in a calendar
15 year.

16 (b) The district by order may impose a tax on each ticket
17 sold as admission to an event held at a venue.

18 (c) The amount of the tax may be imposed at any uniform
19 percentage not to exceed five percent of the price of the ticket
20 sold as admission to an event held at a venue.

21 (d) The district by order may increase, repeal, or decrease
22 the rate of the tax imposed under this section.

23 (e) The district by order may require the venue user to
24 collect the tax for the benefit of the district.

25 (f) A venue user required to collect the tax under this
26 section shall add the tax to the admissions price, and the tax is a
27 part of the admissions price, is a debt owed to the venue user by the

1 person admitted, and is recoverable at law in the same manner as the
2 admissions price.

3 (g) The tax imposed by this section is not an occupation tax
4 imposed on the venue user.

5 (h) A tax imposed under this section or a change in a tax
6 rate takes effect on the date prescribed by the order imposing the
7 tax or changing the rate.

8 (i) A person required to collect a tax imposed under this
9 section shall report and remit the taxes to the district as provided
10 by order of the district.

11 (j) The district by order may prescribe penalties and
12 interest charges for failure to keep records required by the
13 district, to report when required, or to fully and timely collect or
14 remit the tax. The district may bring suit against a person who
15 fails to collect a tax under this section or to fully and timely
16 remit the tax to the district.

17 (k) The district by order may permit a person who is
18 required to collect a tax under this section to retain a percentage
19 of the amount collected and required to be reported as
20 reimbursement to the person for the costs of collecting the tax.
21 The district may provide that the person may retain the amount only
22 if the person pays the tax and files reports as required by the
23 district.

24 (l) The district and any venue user may enter into an
25 agreement for a term of not more than 20 years:

26 (1) providing for the payment or reimbursement, or the
27 reservation of tax proceeds for the payment or reimbursement, to

1 the venue user of all or any agreed portion of the venue user's
2 actual costs of operations, maintenance, management, financing,
3 funding development, capital costs, debt service, or other actual
4 costs of the production, promotion, or presentation of a cultural
5 education event at the venue; and

6 (2) containing any other terms, conditions, and
7 provisions as may be considered necessary and appropriate to
8 support cultural education in the district.

9 (m) The proceeds received by the district from the tax
10 authorized by this section may be used only to support cultural
11 education in the district.

12 (n) The district may continue to impose the tax authorized
13 by this section after any contractual obligations have been
14 fulfilled if the tax revenue is used to support cultural education.

15 (o) An agreement entered into in anticipation of this
16 section taking effect that otherwise meets the requirements of this
17 section is not invalid because it was authorized, executed, or
18 entered into before the effective date of this section.

19 SECTION 5. Subsection (j), Section 8, Chapter 289, Acts of
20 the 73rd Legislature, Regular Session, 1993, is amended to read as
21 follows:

22 (j) Except as provided by Subsection (e) of this section, a
23 majority of the total authorized number of [~~four~~] directors
24 constitutes [~~constitute~~] a quorum for the consideration of all
25 matters pertaining to the business of the district, and a
26 concurrence of a majority of a quorum of directors shall be required
27 for any official action of the district.

1 SECTION 6. Section 9, Chapter 289, Acts of the 73rd
2 Legislature, Regular Session, 1993, is amended by amending
3 Subsection (g) and adding Subsection (l) to read as follows:

4 (g) After passage of the propositions in the confirmation
5 election, as required by Subsection (e) of this section and Section
6 7-a of this Act:

7 (1) an election shall be called for the uniform
8 election date in May of the next even-numbered year for the election
9 of five directors at large. The three candidates receiving the
10 highest number of votes shall be elected for a term of three years,
11 and the two candidates receiving the next highest number of votes
12 shall be elected for a term of two years;

13 (2) an election shall be called for the uniform
14 election date in May of the next succeeding even-numbered year
15 after the election held under Subdivision (1) of this subsection,
16 for the election of four directors by position [~~at large~~]. Each of
17 the [~~The~~] four candidates [~~receiving the highest number of votes~~
18 ~~shall be~~] shall serve for a term of two years; and

19 (3) an election shall be called annually thereafter
20 for the uniform election date in May of each year for the election
21 by position of either three or four directors, as appropriate, to
22 serve two-year terms.

23 (l) An election held on the proposition of incorporating all
24 or part of the territory of the district under Subsection (h)(2) of
25 this section may be held regardless of population or area limits
26 described by Section 5.901, Local Government Code, or other law, if
27 the area to be incorporated has a population of 5,000 or more

1 inhabitants according to the most recent federal decennial census
2 or other credible population records.

3 SECTION 7. Chapter 289, Acts of the 73rd Legislature,
4 Regular Session, 1993, is amended by adding Section 11B-1 to read as
5 follows:

6 Sec. 11B-1. SUPPLEMENTAL HOTEL OCCUPANCY TAX. (a) In
7 addition to the tax authorized by Section 11A of this Act, but
8 subject to Subsection (c) of this section, the board by order may
9 impose, repeal, increase, or decrease a supplemental hotel
10 occupancy tax in the same manner as the tax authorized by Section
11 11A of this Act. The rate of the supplemental tax may not exceed two
12 percent of the price paid for a room in a hotel.

13 (b) The district shall apply the proceeds from the
14 supplemental tax imposed under Subsection (a) of this section
15 solely for the purposes described by Sections 352.101(a) and
16 352.1015, Tax Code, provided that at least 75 percent of the
17 proceeds from the supplemental tax, as determined on an annual
18 average basis, must be used for the purpose of establishing,
19 operating, and maintaining a convention and visitors bureau within
20 or adjacent to the district. For purposes of this subsection, a
21 reference in Section 352.101(a) or 352.1015, Tax Code, to a county,
22 county officer, or commissioners court means the district, a
23 district officer, or the board, as appropriate.

24 (c) The board may not impose the supplemental tax authorized
25 by Subsection (a) of this section before January 1, 2011. The board
26 may impose the tax at a rate not to exceed one percent until
27 December 31, 2011. On or after January 1, 2012, the board may

1 impose the tax at a rate not to exceed two percent.

2 SECTION 8. Section 11C, Chapter 289, Acts of the 73rd
3 Legislature, Regular Session, 1993, is amended by amending
4 Subsections (g), (k), and (p) and adding Subsections (g-1) and (s)
5 to read as follows:

6 (g) Members of the governing body shall be appointed for a
7 term of two years, except that:

8 (1) the appointment of the initial members of the
9 governing body may provide for some terms to be limited to one year
10 in order to achieve staggered terms of office; and

11 (2) the board by resolution may:

12 (A) extend the terms of office of members of the
13 governing body beyond two years to the extent necessary to
14 coordinate those terms with the next election of members of the
15 board of directors; or

16 (B) provide for one-year terms of office for
17 members of a subsequent governing body.

18 (g-1) The district by appointment shall fill a vacancy on
19 the governing body of the zone for the unexpired portion of the
20 term.

21 (k) A development zone created by the district under this
22 section is a body politic and corporate and a political subdivision
23 of the state, separate from the district. The district and the
24 development zone have the same power and authority to carry out this
25 section as Section 311.008, Tax Code, provides a municipality to
26 carry out Chapter 311, Tax Code. In addition to the powers granted
27 to the governing body by this section, the board by order may

1 delegate, subject in whole or in part to final approval by the
2 board, any powers and duties relating to the financing and
3 implementation of the project plan for the zone, including the
4 power and authority to:

5 (1) issue tax increment bonds or notes for and in the
6 name of the zone in the same manner as Section 311.015 [~~311.010~~],
7 Tax Code, provides for a municipality, except that tax increment
8 bonds or notes of the zone must mature in not more than 30 years, to
9 fund any project of the zone and pay any related bond issuance and
10 bond reserve costs or to refund any bonds, notes, contractual
11 obligations, commitments, or undertakings of the zone, including
12 the reimbursement to any person for project costs and related
13 interest for which the zone would have been authorized to issue its
14 bonds or notes;

15 (2) pledge irrevocably all or part of the tax
16 increment fund for the zone, as Section 311.015, Tax Code, provides
17 for a municipality; and

18 (3) impose, assess, and collect ad valorem taxes,
19 assessments, and other charges in the zone, as Chapter 375, Local
20 Government Code, provides for municipal management districts, as
21 well as the incremental sales and use tax authorized by this
22 section, if the ad valorem tax or incremental sales and use tax has
23 been approved by the qualified voters of the district at an election
24 called and held for that purpose.

25 (p) Sections 311.002 and 311.014 through 311.017, Tax Code,
26 apply to the district, except that for purposes of this subsection:

27 (1) a reference in those sections to a municipality

1 means the district and the development zone;

2 (2) a reference in those sections to an ordinance
3 means an order;

4 (3) a reference in those sections to a reinvestment
5 zone means a development zone;

6 (4) a reference in those sections to an agreement made
7 under Subsection (b), Section 311.010, Tax Code, means an agreement
8 made under Subsection (1) of this section;

9 (5) "development" means initial development;

10 (6) "redevelopment" means substantial redevelopment;

11 [~~and~~]

12 (7) Section 311.016, Tax Code, applies only if ad
13 valorem taxes are used, in whole or in part, in payment of project
14 costs of a development zone; and

15 (8) a development zone created without a duration or
16 date of termination may be dissolved by a two-thirds vote of the
17 board of directors of the district or of the governing body of a
18 municipality or other form of local government succeeding to the
19 principal assets, powers, functions, and liabilities of the
20 district, but only if:

21 (A) the development zone has no outstanding
22 indebtedness or other obligations; or

23 (B) the assets, powers, functions, and
24 liabilities, and any outstanding indebtedness or obligations, of
25 the development zone are expressly assumed by the district or the
26 succeeding municipality or local government.

27 (s) The district or a municipality or other local government

1 succeeding to the principal assets, powers, functions, and
2 liabilities of the district may assume, exercise, perform, and
3 discharge the assets, powers, functions, and liabilities of a
4 development zone in the same manner, to the same extent, and for the
5 same purposes as a development zone created under this section.

6 SECTION 9. The heading to Section 12A, Chapter 289, Acts of
7 the 73rd Legislature, Regular Session, 1993, is amended to read as
8 follows:

9 Sec. 12A. PUBLIC SECURITIES [~~BONDS~~].

10 SECTION 10. Section 12A, Chapter 289, Acts of the 73rd
11 Legislature, Regular Session, 1993, is amended by amending
12 Subsections (a) and (c) and adding Subsections (d), (e), and (f) to
13 read as follows:

14 (a) The board may issue, sell, and deliver the public
15 securities [~~bonds~~] of the district in the manner provided by this
16 section or other applicable law, including Chapter 1371, Government
17 Code, and Subchapter J, Chapter 375, Local Government Code, for any
18 district purpose or to finance or pay for any district facilities,
19 programs, or improvement projects [~~project~~], including for the
20 purpose of making or providing for payment of any amounts due or to
21 become due from the district under a regional participation
22 agreement authorized by this Act or other law, to refund or
23 refinance any public security or other contract, agreement,
24 commitment, or undertaking of the district in payment of which the
25 district could have issued its public securities, or to fund or pay
26 for any reserve fund or issuance expenses related to the public
27 securities. The public securities [~~which~~] shall be deemed to be in

1 furtherance of a program authorized pursuant to Section 52-a,
2 Article III, Texas Constitution[, ~~in the manner provided by~~
3 ~~Subchapter J, Chapter 375, Local Government Code~~]. Sections
4 375.207 and 375.208, Local Government Code, do not apply to public
5 securities [~~bonds~~] issued by the district under this Act.

6 (c) In addition to the sources of money described by
7 Subchapter J, Chapter 375, Local Government Code, the public
8 securities [~~bonds~~] of the district may be secured and made
9 payable, wholly or partly, by a pledge of any part of the net
10 proceeds the district receives from:

11 (1) a specified portion, but not more than one-half of
12 one percent, of the sales and use tax authorized by Section 11 of
13 this Act;

14 (2) the hotel occupancy tax authorized by Section 11A
15 of this Act;

16 (3) an ad valorem tax approved by the voters of the
17 district at an election called for that purpose;

18 (4) any revenues, receipts, fees, charges, income,
19 funds, or proceeds received or to be received by the district from
20 refunding public securities, contracts, agreements, or other
21 [~~lawful~~] sources, including a contract with a development zone to
22 facilitate an improvement project or project plan of the district
23 or the development zone; or

24 (5) [~~any other revenues, income, or proceeds that in~~
25 ~~accordance with this Act or other law may be pledged or used for~~
26 ~~purposes described by Subdivision (4) of this subsection, or~~

27 [~~(6)~~] any combination of revenues, taxes, or proceeds

1 from one or more of the sources described by Subdivisions (1)-(4)
2 [~~(1)-(5)~~] of this subsection.

3 (d) The board of directors or an officer or employee of the
4 district to whom the board delegates authority may sell a district
5 public security at a public or private sale in the form, at the
6 price, on the terms and conditions, at the interest rate or rates,
7 whether fixed, variable, floating, adjustable, or otherwise, as the
8 board determines appropriate. The net effective interest rate of
9 the public securities under this section may not exceed the maximum
10 rate allowed by law.

11 (e) The board may secure a district public security with a
12 security agreement, credit agreement, or both, with the security
13 interest or interests, other than a mortgage interest in real
14 property, and with the parity or priority of pledge and lien as the
15 board determines appropriate.

16 (f) In this section:

17 (1) "Public security" has the meaning assigned by
18 Section 1201.002, Government Code.

19 (2) "Credit agreement," "security agreement," and
20 "security interest" have the meanings assigned by Section 1208.001,
21 Government Code.

22 SECTION 11. (a) The legislature ratifies and confirms all
23 governmental acts and proceedings of The Woodlands Township and its
24 board and of The Woodlands Township Economic Development Zone and
25 its governing body before the effective date of this Act, in:

26 (1) calling, holding, conducting, and declaring the
27 results of the confirmation and tax election held in the district on

1 November 6, 2007;

2 (2) conditionally enlarging the boundaries and
3 increasing the number of eligible voters of the district for
4 conducting the election described by Subdivision (1) of this
5 subsection;

6 (3) changing the name of the district to The Woodlands
7 Township;

8 (4) describing the boundaries of the district for any
9 purpose, including the election described by Subdivision (1) of
10 this subsection;

11 (5) creating, establishing, organizing, and
12 describing the boundaries of The Woodlands Township Economic
13 Development Zone;

14 (6) dissolving, abolishing, and transferring the
15 funds, assets, liabilities, and obligations of all existing
16 economic development zones overlapped by The Woodlands Township
17 Economic Development Zone;

18 (7) imposing and collecting an incremental sales and
19 use tax by The Woodlands Township Economic Development Zone; and

20 (8) conditionally excluding territory from the
21 boundaries of The Woodlands Township Economic Development Zone and
22 reserving the right to repeal or rescind the exclusion.

23 (b) Subsection (a) of this section does not apply to a
24 matter that on the effective date of this Act:

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

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

2 SECTION 12. The provisions of this Act are severable. If
3 any word, phrase, clause, sentence, section, provision, or part of
4 this Act is held invalid or unconstitutional, it shall not affect
5 the validity of the remaining portions, and it is declared to be the
6 legislative intent that this Act would have been passed as to the
7 remaining portions regardless of the invalidity of any part.

8 SECTION 13. (a) The legislature finds that the powers,
9 authority, and functions of the district authorized by this Act are
10 essential and beneficial to the district and to the state as a whole
11 as a program for promoting, facilitating, and accomplishing the
12 public purposes of Section 52-a, Article III, Texas Constitution,
13 by:

14 (1) promoting, sustaining, and advancing employment
15 and economic diversification and development in the state;

16 (2) sustaining and stimulating business in the state;

17 (3) conserving and sustaining property values and
18 living conditions in the state;

19 (4) promoting traffic circulation and public safety in
20 the state;

21 (5) promoting the development of parks, recreational
22 facilities, and cultural education in the state; and

23 (6) serving other purposes beneficial to the state.

24 (b) The legal notice of the intention to introduce this Act,
25 setting forth the general substance of this Act, has been published
26 as provided by law, and the notice and a copy of this Act have been
27 furnished to all persons, agencies, officials, or entities to which

1 they are required to be furnished under Section 59, Article XVI,
2 Texas Constitution, and Chapter 313, Government Code.

3 (c) The governor, one of the required recipients, has
4 submitted the notice and Act to the Texas Commission on
5 Environmental Quality.

6 (d) The Texas Commission on Environmental Quality has filed
7 its recommendations relating to this Act with the governor,
8 lieutenant governor, and speaker of the house of representatives
9 within the required time.

10 (e) All requirements of the constitution and laws of this
11 state and the rules and procedures of the legislature with respect
12 to the notice, introduction, and passage of this Act have been
13 fulfilled and accomplished.

14 SECTION 14. This Act takes effect immediately if it
15 receives a vote of two-thirds of all the members elected to each
16 house, as provided by Section 39, Article III, Texas Constitution.
17 If this Act does not receive the vote necessary for immediate
18 effect, this Act takes effect September 1, 2009.