

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Dutton

H.B. No. 3860

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Generation Park Management District and required notice by municipal management districts of certain actions; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3916 to read as follows:

CHAPTER 3916. GENERATION PARK MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3916.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "City" means the City of Houston, Texas.

(3) "Commission" means the Texas Commission on Environmental Quality.

(4) "County" means Harris County.

(5) "Director" means a board member.

(6) "District" means the Generation Park Management District.

Sec. 3916.002. CREATION AND NATURE OF DISTRICT. The Generation Park Management District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3916.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to

1 confirm the creation of the district and to elect five permanent  
2 directors as provided by Section 49.102, Water Code.

3 Sec. 3916.004. CONSENT OF MUNICIPALITY REQUIRED. The  
4 temporary directors may not hold an election under Section 3916.003  
5 until each municipality in whose corporate limits or  
6 extraterritorial jurisdiction the district is located has  
7 consented by ordinance or resolution to the creation of the  
8 district and to the inclusion of land in the district.

9 Sec. 3916.005. PURPOSE; DECLARATION OF INTENT. (a) The  
10 creation of the district is essential to accomplish the purposes of  
11 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
12 Texas Constitution, and other public purposes stated in this  
13 chapter. By creating the district, the legislature has established  
14 a program to accomplish the public purposes set out in Sections 52  
15 and 52-a, Article III, Texas Constitution.

16 (b) The creation of the district is necessary to promote,  
17 develop, encourage, and maintain employment, commerce,  
18 transportation, housing, tourism, recreation, the arts,  
19 entertainment, economic development, safety, and the public  
20 welfare in the district.

21 (c) This chapter and the creation of the district may not be  
22 interpreted to relieve the city, the county, or another  
23 governmental entity from providing the level of services provided  
24 as of the effective date of the Act enacting this chapter to the  
25 area in the district. The district is created to supplement and not  
26 to supplant governmental services provided in the district.

27 Sec. 3916.006. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)

1 The district is created to serve a public use and benefit.

2 (b) All land and other property included in the district  
3 will benefit from the improvements and services to be provided by  
4 the district under powers conferred by Sections 52 and 52-a,  
5 Article III, and Section 59, Article XVI, Texas Constitution, and  
6 other powers granted under this chapter.

7 (c) The creation of the district is in the public interest  
8 and is essential to further the public purposes of:

9 (1) developing and diversifying the economy of the  
10 state;

11 (2) eliminating unemployment and underemployment; and

12 (3) developing or expanding transportation and  
13 commerce.

14 (d) The district will:

15 (1) promote the health, safety, and general welfare of  
16 residents, employers, potential employees, employees, visitors,  
17 and consumers in the district, and of the public;

18 (2) provide needed funding for the district to  
19 preserve, maintain, and enhance the economic health and vitality of  
20 the district territory as a community and business center;

21 (3) promote the health, safety, welfare, and enjoyment  
22 of the public by providing pedestrian ways, road facilities,  
23 enhanced infrastructure, and recreational facilities and by  
24 landscaping and developing certain areas, which are necessary for  
25 the restoration, preservation, and enhancement of scenic and  
26 aesthetic beauty; and

27 (4) provide for water, wastewater, drainage, road,

1 rail, and recreational facilities for the district.

2 (e) Pedestrian ways along or across a street, whether at  
3 grade or above or below the surface, and street lighting, street  
4 landscaping, parking, and street art objects and other improvements  
5 located in or adjacent to road rights-of-way are parts of and  
6 necessary components of a street and are considered to be a street  
7 or road improvement.

8 Sec. 3916.007. DISTRICT TERRITORY. (a) The district is  
9 initially composed of the territory described by Section 2 of the  
10 Act enacting this chapter.

11 (b) The boundaries and field notes of the district contained  
12 in Section 2 of the Act enacting this chapter form a closure. A  
13 mistake in the field notes or in copying the field notes in the  
14 legislative process does not affect the district's:

15 (1) organization, existence, or validity;

16 (2) right to issue any type of bonds, notes, or other  
17 obligations for a purpose for which the district is created or to  
18 pay the principal of and interest on the bonds, notes, or other  
19 obligations;

20 (3) right to impose or collect an assessment or tax; or

21 (4) legality or operation.

22 Sec. 3916.008. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.  
23 All or any part of the area of the district is eligible to be  
24 included in:

25 (1) a tax increment reinvestment zone created under  
26 Chapter 311, Tax Code;

27 (2) a tax abatement reinvestment zone created under

Chapter 312, Tax Code;

(3) an enterprise zone created under Chapter 2303, Government Code;

(4) a foreign trade zone created under Chapter 681, Business & Commerce Code; or

(5) an industrial district created under Chapter 42, Local Government Code.

Sec. 3916.009. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3916.010. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

Sec. 3916.011. CONFLICTS OF LAW. This chapter prevails over any provision of general law, including a provision of Chapter 375, Local Government Code, that is in conflict or inconsistent with this chapter.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3916.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five directors elected as provided by this chapter and Subchapter D, Chapter 49, Water Code.

(b) Except as provided by Section 3916.053, directors serve staggered four-year terms.

Sec. 3916.052. COMPENSATION. A director is entitled to receive fees of office and reimbursement for actual expenses as provided by Section 49.060, Water Code. Sections 375.069 and 375.070, Local Government Code, do not apply to the board.

1       Sec. 3916.053. TEMPORARY DIRECTORS. (a) On or after the  
2 effective date of the Act creating this chapter, the owner or owners  
3 of a majority of the assessed value of the real property in the  
4 district according to the most recent certified tax appraisal roll  
5 for the county may submit a petition to the commission requesting  
6 that the commission appoint as temporary directors the five persons  
7 named in the petition. On request of the member of the state house  
8 of representatives in whose legislative district the largest  
9 percentage of the district is located, the owner or owners must  
10 include in the petition the name of a person designated by the  
11 representative. The commission shall appoint as temporary  
12 directors the five persons named in the petition.

13       (b) Temporary directors serve until the earlier of:

14               (1) the date permanent directors are elected under  
15 Section 3916.003; or

16               (2) the fourth anniversary of the effective date of  
17 the Act creating this chapter.

18       (c) If permanent directors have not been elected under  
19 Section 3916.003 and the terms of the temporary directors have  
20 expired, successor temporary directors shall be appointed or  
21 reappointed as provided by Subsection (d) to serve terms that  
22 expire on the earlier of:

23               (1) the date permanent directors are elected under  
24 Section 3916.003; or

25               (2) the fourth anniversary of the date of the  
26 appointment or reappointment.

27       (d) If Subsection (c) applies, the owner or owners of a

1 majority of the assessed value of the real property in the district  
2 according to the most recent certified tax appraisal roll for the  
3 county may submit a petition to the commission requesting that the  
4 commission appoint as successor temporary directors the five  
5 persons named in the petition. On request of the member of the  
6 state house of representatives in whose legislative district the  
7 largest percentage of the district is located, the owner or owners  
8 must include in the petition the name of a person designated by the  
9 representative. The commission shall appoint as successor  
10 temporary directors the five persons named in the petition.

11 SUBCHAPTER C. POWERS AND DUTIES

12 Sec. 3916.101. GENERAL POWERS AND DUTIES. The district has  
13 the powers and duties necessary to accomplish the purposes for  
14 which the district is created.

15 Sec. 3916.102. IMPROVEMENT PROJECTS AND SERVICES. (a) The  
16 district may provide, design, construct, acquire, improve,  
17 relocate, operate, maintain, or finance an improvement project or  
18 service using any money available to the district, or contract with  
19 a governmental or private entity to provide, design, construct,  
20 acquire, improve, relocate, operate, maintain, or finance an  
21 improvement project or service authorized under this chapter or  
22 under Chapter 375, Local Government Code.

23 (b) An improvement project described by Subsection (a) may  
24 be located inside or outside the district.

25 Sec. 3916.103. RECREATIONAL FACILITIES. The district may  
26 develop or finance recreational facilities as authorized by Chapter  
27 375, Local Government Code, Sections 52 and 52-a, Article III,

1 Texas Constitution, and any other law that applies to the district.

2 Sec. 3916.104. AUTHORITY FOR ROAD PROJECTS. Under Section  
3 52, Article III, Texas Constitution, the district may design,  
4 acquire, construct, finance, issue bonds, notes, or other  
5 obligations for, improve, and convey to this state, a county, or a  
6 municipality for operation and maintenance macadamized, graveled,  
7 or paved roads or improvements, including storm drainage and other  
8 improvements located in or adjacent to road rights-of-way, in aid  
9 of those roads.

10 Sec. 3916.105. CONVEYANCE AND APPROVAL OF ROAD PROJECT.

11 (a) The district shall convey a road project authorized by Section  
12 3916.104 to:

13 (1) the municipality or county that will operate and  
14 maintain the road if the municipality or county has approved the  
15 plans and specifications of the road project; or

16 (2) the state if the state will operate and maintain  
17 the road and the Texas Transportation Commission has approved the  
18 plans and specifications of the road project.

19 (b) Except as provided by Subsection (c), the district shall  
20 operate and maintain a road project authorized by Section 3916.104  
21 that the district implements and is not approved by a municipality,  
22 a county, or this state under Subsection (a).

23 (c) The district may agree in writing with a municipality, a  
24 county, or this state to assign operation and maintenance duties to  
25 the district, the municipality, the county, or this state in a  
26 manner other than the manner described in Subsections (a) and (b).

27 Sec. 3916.106. RAIL FACILITIES. In addition to the powers

1 granted under Section 375.0921(b), Local Government Code, and under  
2 Section 3916.151, the district may construct, acquire, improve,  
3 maintain, finance, and operate rail facilities and improvements in  
4 aid of those facilities for the transport of freight and other  
5 cargo.

6 Sec. 3916.107. DEVELOPMENT CORPORATION POWERS. The  
7 district, using money available to the district, may exercise the  
8 powers given to a development corporation under Chapter 505, Local  
9 Government Code, including the power to own, operate, acquire,  
10 construct, lease, improve, or maintain a project under that  
11 chapter.

12 Sec. 3916.108. NONPROFIT CORPORATION. (a) The board by  
13 resolution may authorize the creation of a nonprofit corporation to  
14 assist and act for the district in implementing a project or  
15 providing a service authorized by this chapter.

16 (b) The nonprofit corporation:

17 (1) has each power of and is considered to be a local  
18 government corporation created under Subchapter D, Chapter 431,  
19 Transportation Code; and

20 (2) may implement any project and provide any service  
21 authorized by this chapter.

22 (c) The board shall appoint the board of directors of the  
23 nonprofit corporation. The board of directors of the nonprofit  
24 corporation shall serve in the same manner as the board of directors  
25 of a local government corporation created under Subchapter D,  
26 Chapter 431, Transportation Code, except that a board member is not  
27 required to reside in the district.

1       Sec. 3916.109. AGREEMENTS; GRANTS. (a) As provided by  
2 Chapter 375, Local Government Code, the district may make an  
3 agreement with or accept a gift, grant, or loan from any person.

4       (b) The implementation of a project is a governmental  
5 function or service for the purposes of Chapter 791, Government  
6 Code.

7       Sec. 3916.110. LAW ENFORCEMENT SERVICES. To protect the  
8 public interest, the district may contract with a qualified party,  
9 including the county or the city, to provide law enforcement  
10 services in the district for a separate fee or as otherwise provided  
11 by the contract.

12       Sec. 3916.111. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The  
13 district may join and pay dues to a charitable or nonprofit  
14 organization that performs a service or provides an activity  
15 consistent with the furtherance of a district purpose.

16       Sec. 3916.112. ECONOMIC DEVELOPMENT. (a) The district may  
17 engage in activities that accomplish the economic development  
18 purposes of the district.

19       (b) The district may establish and provide for the  
20 administration of one or more programs to promote state or local  
21 economic development and to stimulate business and commercial  
22 activity in the district, including programs to:

23               (1) make loans and grants of public money; and

24               (2) provide district personnel and services.

25       (c) The district may create economic development programs  
26 and exercise the economic development powers that:

27               (1) Chapter 380, Local Government Code, provides to a

1 municipality;

2 (2) Chapter 381, Local Government Code, provides to a  
3 county; and

4 (3) Subchapter A, Chapter 1509, Government Code,  
5 provides to a municipality.

6 Sec. 3916.113. STRATEGIC PARTNERSHIP AGREEMENT. The  
7 district may negotiate and enter into a written strategic  
8 partnership agreement with the city under Section 43.0751, Local  
9 Government Code.

10 Sec. 3916.114. REGIONAL PARTICIPATION AGREEMENT. The  
11 district may negotiate and enter into a written regional  
12 participation agreement with the city under Section 43.0754, Local  
13 Government Code.

14 Sec. 3916.115. ANNEXATION OR EXCLUSION OF LAND. (a) The  
15 district may annex land as provided by Subchapter J, Chapter 49,  
16 Water Code.

17 (b) The district may exclude land as provided by Subchapter  
18 J, Chapter 49, Water Code. Section 375.044(b), Local Government  
19 Code, does not apply to the district.

20 (c) After the district is organized and has obtained voter  
21 approval for the issuance of, or has sold, bonds payable wholly or  
22 partly from ad valorem taxes, the district may include and exclude  
23 land as provided by this section and Sections 54.740-54.747, Water  
24 Code. To the extent of a conflict between this subsection and  
25 Section 54.739, Water Code, this subsection controls.

26 (d) If the district has any outstanding bonds or contract  
27 obligations payable wholly or partly by a pledge of net revenues

1 from the ownership or operation of the district's facilities at the  
2 time the board considers an application under Sections  
3 54.740-54.747, Water Code, the lands proposed for inclusion shall  
4 be considered to be sufficient to avoid an impairment of the  
5 security for payment of obligations of the district if the  
6 projected net revenue to be derived from the lands to be included  
7 during the succeeding 12-month period, as determined by the  
8 district's engineer, equals or exceeds the projected net revenue  
9 that would otherwise have been derived from the lands to be excluded  
10 during the same period. To the extent of a conflict between this  
11 subsection and Section 54.744, Water Code, this subsection  
12 controls.

13 Sec. 3916.116. APPLICABILITY OF OTHER LAW TO CERTAIN  
14 CONTRACTS. (a) Subchapter I, Chapter 49, Water Code, applies to a  
15 district contract for construction work, equipment, materials, or  
16 machinery. The district may use a project delivery method  
17 described by Subchapter I, Chapter 49, Water Code, or Chapter 2267,  
18 Government Code.

19 (b) Sections 375.221 and 375.223, Local Government Code, do  
20 not apply to the district.

21 Sec. 3916.117. TERMS OF EMPLOYMENT; COMPENSATION. The  
22 board may employ and establish the terms of employment and  
23 compensation of an executive director or general manager and any  
24 other district employees the board considers necessary.

25 Sec. 3916.118. NO EMINENT DOMAIN POWER. The district may  
26 not exercise the power of eminent domain.

1     SUBCHAPTER C-1. PUBLIC TRANSIT SYSTEM AND PARKING FACILITIES

2     Sec. 3916.151. PUBLIC TRANSIT SYSTEM; PETITION REQUIRED.

3     (a) The district may acquire, lease as lessor or lessee, construct,  
4     develop, own, operate, and maintain a public transit system to  
5     serve the area in the district.

6     (b) The board may not act under Subsection (a) unless a  
7     written petition requesting the action has been filed with the  
8     board.

9     (c) The petition must be signed by:

10     (1) the owners of property representing a majority of  
11     the total assessed value of the real property in the district that  
12     abuts the right-of-way in which the public transit system is  
13     proposed to be located; or

14     (2) the owners of a majority of the area of the real  
15     property in the district that abuts the right-of-way in which the  
16     public transit system is proposed to be located.

17     (d) For purposes of Subsection (c), the determination of a  
18     majority is based on the property owners along the entire  
19     right-of-way of the proposed transit project and may not be  
20     calculated on a block-by-block basis.

21     Sec. 3916.152. PARKING FACILITIES. (a) The district may  
22     acquire, lease as lessor or lessee, construct, develop, own,  
23     operate, and maintain parking facilities or a system of parking  
24     facilities, including lots, garages, parking terminals, or other  
25     structures or accommodations for parking motor vehicles off the  
26     streets and related appurtenances.

27     (b) The district's parking facilities serve the public

1 purposes of the district and are owned, used, and held for a public  
2 purpose even if leased or operated by a private entity for a term of  
3 years.

4 (c) The district's parking facilities are parts of and  
5 necessary components of a street and are considered to be a street  
6 or road improvement.

7 (d) The development and operation of the district's parking  
8 facilities may be considered an economic development program.

9 Sec. 3916.153. RULES. The district may adopt rules  
10 covering its public transit system or its public parking  
11 facilities, except that a rule relating to or affecting the use of  
12 the public right-of-way or a requirement for off-street parking is  
13 subject to all applicable county requirements.

14 Sec. 3916.154. FEES. The district may set the amount of and  
15 impose a fee for the use of the district's public transit system and  
16 parking facilities.

17 Sec. 3916.155. AGREEMENT WITH RAPID TRANSIT AUTHORITY. (a)  
18 In this section, "authority" means a rapid transit authority  
19 created under Chapter 451, Transportation Code.

20 (b) The district and an authority may agree to jointly  
21 construct, own, operate, and maintain a transit facility or a  
22 parking facility under the terms the authority and district desire.

23 (c) The agreement may provide that the district and the  
24 authority exchange or trade land provided that each party to the  
25 agreement receives fair market value. The authority is not  
26 required to offer any property that it proposes to trade to the  
27 district for sale to the public or for sale to any abutting property

1 owner.

2 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

3 Sec. 3916.201. MONEY USED FOR IMPROVEMENTS OR SERVICES.

4 The district may acquire, construct, finance, operate, maintain, or  
5 provide any improvement or service authorized under this chapter or  
6 Chapter 375, Local Government Code, using any money available to  
7 the district.

8 Sec. 3916.202. PETITION REQUIRED FOR FINANCING SERVICES AND  
9 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a  
10 service or improvement project with assessments under this chapter  
11 unless a written petition requesting that service or improvement  
12 has been filed with the board.

13 (b) The petition must be signed by:

14 (1) the owners of a majority of the assessed value of  
15 real property in the district subject to assessment according to  
16 the most recent certified tax appraisal roll for the county; or

17 (2) at least 50 persons who own real property in the  
18 district subject to assessment, if more than 50 persons own real  
19 property in the district according to the most recent certified tax  
20 appraisal roll for the county.

21 Sec. 3916.203. METHOD OF NOTICE FOR HEARING. The district  
22 may mail the notice required by Section 375.115(c), Local  
23 Government Code, by certified or first class United States mail.  
24 The board shall determine the method of notice.

25 Sec. 3916.204. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
26 The board by resolution may impose and collect an assessment for any  
27 purpose authorized by this chapter in all or any part of the

1 district without regard to whether that area is already subject to  
2 or overlaps with an area of the district that is subject to a prior  
3 assessment imposed by the board.

4 (b) An assessment, a reassessment, or an assessment  
5 resulting from an addition to or correction of the assessment roll  
6 by the district, penalties and interest on an assessment or  
7 reassessment, an expense of collection, and reasonable attorney's  
8 fees incurred by the district are:

9 (1) a first and prior lien against the property  
10 assessed;

11 (2) superior to any other lien or claim other than a  
12 lien or claim for county, school district, or municipal ad valorem  
13 taxes; and

14 (3) the personal liability of and a charge against the  
15 owners of the property even if the owners are not named in the  
16 assessment proceedings.

17 (c) The lien is effective from the date of the board's  
18 resolution imposing the assessment until the date the assessment is  
19 paid. The board may enforce the lien in the same manner that the  
20 board may enforce an ad valorem tax lien against real property.

21 (d) The board may make a correction to or deletion from the  
22 assessment roll that does not increase the amount of assessment of  
23 any parcel of land without providing notice and holding a hearing in  
24 the manner required for additional assessments.

25 Sec. 3916.205. TAX AND ASSESSMENT ABATEMENTS. The district  
26 may designate reinvestment zones and may grant abatements of a tax  
27 or assessment on property in the zones.

Sec. 3916.206. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS.

The district may not impose an assessment on the property, including the equipment, rights-of-way, facilities, or improvements, of:

(1) an electric utility or a power generation company as defined by Section 31.002, Utilities Code;

(2) a gas utility as defined by Section 101.003 or 121.001, Utilities Code;

(3) a telecommunications provider as defined by Section 51.002, Utilities Code; or

(4) a person who provides to the public cable television or advanced telecommunications services.

Sec. 3916.207. CONDUITS. (a) The district may finance, acquire, construct, improve, operate, maintain, or charge a fee for the use of conduits for:

(1) fiber-optic cable and supporting facilities;

(2) electronic transmission and distribution lines and supporting facilities; or

(3) other types of transmission and distribution lines and supporting facilities.

(b) The district may not require a person to use a conduit for a purpose described by Subsection (a)(1) or for any other telecommunications purpose.

Sec. 3916.208. RESIDENTIAL PROPERTY. Section 375.161, Local Government Code, does not apply to:

(1) a tax imposed by the district; or

(2) a required payment for a service provided by the

district, including water and sewer service.

Sec. 3916.209. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 3916.213, the district may impose an annual operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code, for any district purpose, including to:

(1) operate and maintain the district;

(2) construct or acquire improvements; or

(3) provide a service.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

(c) Section 49.107(h), Water Code, does not apply to the district.

Sec. 3916.210. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

Sec. 3916.211. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may by competitive bid or negotiated sale issue bonds, notes, or other obligations payable wholly or partly

1 from taxes, including ad valorem taxes, or assessments, fees,  
2 revenue, contract payments, grants, or other district money, or any  
3 combination of those sources of money, to pay for any authorized  
4 district purpose.

5 (c) In addition to any other terms authorized by the board  
6 by bond order or resolution, the proceeds of the district's bonds  
7 may be used for a reserve fund, credit enhancement, or capitalized  
8 interest for the bonds.

9 (d) The limitation on the outstanding principal amount of  
10 bonds, notes, and other obligations provided by Section 49.4645,  
11 Water Code, does not apply to the district.

12 Sec. 3916.212. TAXES FOR BONDS. At the time the district  
13 issues bonds payable wholly or partly from ad valorem taxes, the  
14 board shall provide for the annual imposition of a continuing  
15 direct ad valorem tax, without limit as to rate or amount, while all  
16 or part of the bonds are outstanding as required and in the manner  
17 provided by Sections 54.601 and 54.602, Water Code.

18 Sec. 3916.213. ELECTIONS REGARDING TAXES AND BONDS. (a)  
19 The district may issue, without an election, bonds, notes, and  
20 other obligations secured by:

21 (1) revenue other than ad valorem taxes; or

22 (2) contract payments described by Section 3916.210.

23 (b) The district must hold an election in the manner  
24 provided by Subchapter L, Chapter 375, Local Government Code, to  
25 obtain voter approval before the district may impose an ad valorem  
26 tax or sales and use tax or issue bonds payable from ad valorem  
27 taxes.

1        (c) Section 375.243, Local Government Code, does not apply  
2 to the district.

3        (d) All or any part of any facilities or improvements that  
4 may be acquired by a district by the issuance of district bonds may  
5 be included in one single proposition to be voted on at the election  
6 or the bonds may be submitted in several propositions.

7        Sec. 3916.214. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
8 OBLIGATIONS. Except as provided by Section 375.263, Local  
9 Government Code, a municipality is not required to pay a bond, note,  
10 or other obligation of the district.

11                    SUBCHAPTER E. DEFINED AREAS

12        Sec. 3916.226. AUTHORITY TO ESTABLISH DEFINED AREAS OR  
13 DESIGNATED PROPERTY. The district may define areas or designate  
14 certain property of the district to pay for improvements,  
15 facilities, or services that primarily benefit that area or  
16 property and do not generally and directly benefit the district as a  
17 whole.

18        Sec. 3916.227. PROCEDURE FOR ELECTION. (a) Before the  
19 district may impose an ad valorem tax or issue bonds payable from ad  
20 valorem taxes of the defined area or designated property, the board  
21 shall hold an election in the defined area or in the designated  
22 property only.

23        (b) The election shall be conducted as provided by Section  
24 3916.213.

25        (c) The board may submit the issues to the voters on the same  
26 ballot to be used in another election.

27        Sec. 3916.228. DECLARING RESULT AND ISSUING ORDER. (a) If

1 a majority of the voters voting at the election approve the  
2 proposition or propositions, the board shall declare the results  
3 and, by order, shall establish the defined area and describe it by  
4 metes and bounds or designate the specific property.

5 (b) A court may not review the board's order except on the  
6 ground of fraud, palpable error, or arbitrary and confiscatory  
7 abuse of discretion.

8 Sec. 3916.229. TAXES FOR SERVICES, IMPROVEMENTS, AND  
9 FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter  
10 approval and adoption of the order described by Section 3916.228,  
11 the district may apply separately, differently, equitably, and  
12 specifically its taxing power and lien authority to the defined  
13 area or designated property to provide money to construct,  
14 administer, maintain, and operate services, improvements, and  
15 facilities that primarily benefit the defined area or designated  
16 property.

17 Sec. 3916.230. ISSUANCE OF BONDS FOR DEFINED AREA OR  
18 DESIGNATED PROPERTY. After the order under Section 3916.228 is  
19 adopted, the district may issue bonds to provide for any land,  
20 improvements, facilities, plants, equipment, and appliances for  
21 the defined area or designated property.

22 SUBCHAPTER F. SALES AND USE TAX

23 Sec. 3916.251. APPLICABILITY OF CERTAIN TAX CODE  
24 PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition,  
25 computation, administration, enforcement, and collection of the  
26 sales and use tax authorized by this subchapter except to the extent  
27 Chapter 321, Tax Code, is inconsistent with this chapter.

1       (b) A reference in Chapter 321, Tax Code, to a municipality  
2 or the governing body of a municipality is a reference to the  
3 district or the board, respectively.

4       Sec. 3916.252. ELECTION; ADOPTION OF TAX. (a) The district  
5 may adopt a sales and use tax if authorized by a majority of the  
6 voters of the district voting at an election held for that purpose.

7       (b) The board by order may call an election to authorize the  
8 adoption of the sales and use tax. The election may be held on any  
9 uniform election date and in conjunction with any other district  
10 election.

11       (c) The ballot shall be printed to provide for voting for or  
12 against the proposition: "Authorization of a sales and use tax in  
13 the Generation Park Management District at a rate not to exceed \_\_\_\_\_  
14 percent" (insert rate of one or more increments of one-eighth of one  
15 percent).

16       Sec. 3916.253. SALES AND USE TAX RATE. (a) On or after the  
17 date the results are declared of an election held under Section  
18 3916.252, at which the voters approved imposition of the tax  
19 authorized by this subchapter, the board shall determine and adopt  
20 by resolution or order the initial rate of the tax, which must be in  
21 one or more increments of one-eighth of one percent.

22       (b) After the election held under Section 3916.252, the  
23 board may increase or decrease the rate of the tax by one or more  
24 increments of one-eighth of one percent.

25       (c) The initial rate of the tax or any rate resulting from  
26 subsequent increases or decreases may not exceed the lesser of:

27       (1) the maximum rate authorized by the district voters

1 at the election held under Section 3916.252; or

2 (2) a rate that, when added to the rates of all sales  
3 and use taxes imposed by other political subdivisions with  
4 territory in the district, would result in the maximum combined  
5 rate prescribed by Section 321.101(f), Tax Code, at any location in  
6 the district.

7 Sec. 3916.254. TAX AFTER ANNEXATION. (a) This section  
8 applies to the district after a municipality annexes part of the  
9 territory in the district and imposes the municipality's sales and  
10 use tax in the annexed territory.

11 (b) If at the time of annexation the district has  
12 outstanding debt or other obligations payable wholly or partly from  
13 district sales and use tax revenue, Section 321.102(g), Tax Code,  
14 applies to the district.

15 (c) If at the time of annexation the district does not have  
16 outstanding debt or other obligations payable wholly or partly from  
17 district sales and use tax revenue, the district may:

18 (1) exclude the annexed territory from the district,  
19 if the district has no outstanding debt or other obligations  
20 payable from any source; or

21 (2) reduce the sales and use tax in the annexed  
22 territory by resolution or order of the board to a rate that, when  
23 added to the sales and use tax rate imposed by the municipality in  
24 the annexed territory, is equal to the sales and use tax rate  
25 imposed by the district in the district territory that was not  
26 annexed by the municipality.

27 Sec. 3916.255. NOTIFICATION OF RATE CHANGE. The board

1 shall notify the comptroller of any changes made to the tax rate  
2 under this subchapter in the same manner the municipal secretary  
3 provides notice to the comptroller under Section 321.405(b), Tax  
4 Code.

5 Sec. 3916.256. USE OF REVENUE. Revenue from the sales and  
6 use tax imposed under this subchapter is for the use and benefit of  
7 the district and may be used for any district purpose. The district  
8 may pledge all or part of the revenue to the payment of bonds,  
9 notes, or other obligations, and that pledge of revenue may be in  
10 combination with other revenue, including tax revenue, available to  
11 the district.

12 Sec. 3916.257. ABOLITION OF TAX. (a) Except as provided by  
13 Subsection (b), the board may abolish the tax imposed under this  
14 subchapter without an election.

15 (b) The board may not abolish the tax imposed under this  
16 subchapter if the district has outstanding debt secured by the tax,  
17 and repayment of the debt would be impaired by the abolition of the  
18 tax.

19 (c) If the board abolishes the tax, the board shall notify  
20 the comptroller of that action in the same manner the municipal  
21 secretary provides notice to the comptroller under Section  
22 321.405(b), Tax Code.

23 (d) If the board abolishes the tax or decreases the tax rate  
24 to zero, a new election to authorize a sales and use tax must be held  
25 under Section 3916.252 before the district may subsequently impose  
26 the tax.

27 (e) This section does not apply to a decrease in the sales

and use tax authorized under Section 3916.254(c)(2).

SUBCHAPTER G. HOTEL OCCUPANCY TAX

Sec. 3916.301. DEFINITION. In this subchapter, "hotel" has the meaning assigned by Section 156.001, Tax Code.

Sec. 3916.302. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS. (a) In this subchapter:

(1) a reference in Subchapter A, Chapter 352, Tax Code, to a county is a reference to the district; and

(2) a reference in Subchapter A, Chapter 352, Tax Code, to the commissioners court is a reference to the board.

(b) Except as inconsistent with this subchapter, Subchapter A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized by this subchapter, including the collection of the tax, subject to the limitations prescribed by Sections 352.002(b) and (c), Tax Code.

Sec. 3916.303. TAX AUTHORIZED; USE OF REVENUE. The district may impose a hotel occupancy tax for any purpose described by Section 351.101 or 352.101, Tax Code.

Sec. 3916.304. TAX RATE. (a) The amount of the hotel occupancy tax may not exceed the lesser of:

(1) the maximum rate prescribed by Section 352.003(a), Tax Code; or

(2) a rate that, when added to the rates of all hotel occupancy taxes imposed by other political subdivisions with territory in the district and by this state, does not exceed the sum of the rate prescribed by Section 351.0025(b), Tax Code, and two percent.

1       (b) The district tax is in addition to a tax imposed by the  
2 city under Chapter 351, Tax Code, or by the county under Chapter  
3 352, Tax Code.

4       Sec. 3916.305. INFORMATION. The district may examine and  
5 receive information related to the imposition of hotel occupancy  
6 taxes to the same extent as if the district were a county.

7       Sec. 3916.306. USE OF REVENUE. The district may use revenue  
8 from the hotel occupancy tax for any district purpose. The district  
9 may pledge all or part of the revenue to the payment of bonds,  
10 notes, or other obligations and that pledge of revenue may be in  
11 combination with other revenue available to the district.

12       Sec. 3916.307. ABOLITION OF TAX. (a) Except as provided by  
13 Subsection (b), the board may abolish the tax imposed under this  
14 subchapter.

15       (b) The board may not abolish the tax imposed under this  
16 subchapter if the district has outstanding debt secured by the tax,  
17 and repayment of the debt would be impaired by the abolition of the  
18 tax.

19               SUBCHAPTER H. DISSOLUTION AND CONSOLIDATION

20       Sec. 3916.351. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
21 DEBT. (a) The board may dissolve the district regardless of  
22 whether the district has debt. Section 375.264, Local Government  
23 Code, does not apply to the district.

24       (b) If the district has debt when it is dissolved, the  
25 district shall remain in existence solely for the purpose of  
26 discharging its debts. The dissolution is effective when all debts  
27 have been discharged.

1       Sec. 3916.352. CONSOLIDATION. In addition to any other  
2 provision provided by law, including Subchapter M, Chapter 375,  
3 Local Government Code, the district and one or more other districts  
4 governed by Chapter 54, Water Code, may be consolidated in  
5 accordance with Subchapter H, Chapter 54, Water Code.

6       SECTION 2. The Generation Park Management District  
7 initially includes all the territory contained in the following  
8 area:

9       All that certain 316.448 acres of land out of the 1804.19 acre  
10 tract described in the deed from Robert C. Hux, et al to FRM N.E.  
11 Belt Venture #1, Ltd. recorded under File No. T107162, in the  
12 Official Public Records of Real Property of Harris County, Texas,  
13 in the Victor Blanco Survey, A-2, Harris County, Texas, and more  
14 particularly described by metes and bounds as follows: (All  
15 bearings based on Texas State Plane Coordinate System, South  
16 Central Zone)

17       BEGINNING at the northwest corner of the herein described  
18 tract, common to a found 5/8" iron rod, in the north line of said  
19 1804.19 acre tract, and in the east right-of-way line of Beltway 8  
20 (East Loop) (R.O.W. Varies);

21       THENCE North 88° 05' 36" East - 1783.65' along said north line  
22 to the northeast corner of the herein described tract from which a  
23 brass disc in concrete found for the northeast corner of said  
24 1804.19 acre tract in the west right-of-way line of Lake Houston  
25 Parkway (300' R.O.W.) bears North 88° 05' 36" East - 9564.04';

26       THENCE South 34° 50' 50" East - 591.18' to an angle corner of  
27 the herein described tract;

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1           THENCE South 29° 23' 48" West - 1130.88' to an angle corner of  
2 the herein described tract;

3           THENCE South 34° 39' 21" East - 222.10' to an angle corner of  
4 the herein described tract;

5           THENCE South 71° 53' 22" East - 251.89' to an angle corner of  
6 the herein described tract;

7           THENCE South 24° 02' 14" East - 689.83' to an angle corner of  
8 the herein described tract;

9           THENCE South 03° 49' 02" West - 1177.11' to an angle corner of  
10 the herein described tract;

11          THENCE South 22° 34' 05" East - 893.29' to an angle corner of  
12 the herein described tract;

13          THENCE South 55° 11' 23" West - 1634.61' to an angle corner of  
14 the herein described tract;

15          THENCE South 77° 29' 40" East - 2386.24' to the southeast  
16 corner of the herein described tract the south line of the aforesaid  
17 1804.19 acre tract;

18          THENCE South 87° 35' 19" West - 535.60' along said south line  
19 to an angle corner of the herein described tract

20          THENCE South 87° 31' 04" West - 3522.50', along said south  
21 line to a 5/8" iron rod found in the east right-of-way line of  
22 aforesaid Beltway 8, common to the southwest corner of the herein  
23 described tract, common to a point on a curve to the right, having a  
24 central angle of 02° 21' 08", a radius of 2614.79', and from which  
25 the center of the circle of said curve bears South 86° 23' 17" East;

26          THENCE along said curve to the right, along said east  
27 right-of-way line, in a northerly direction, an arc distance of

1 107.35' to the end of curve;

2       THENCE North 05° 42' 21" East - 5848.90' to the POINT OF  
3 BEGINNING of the herein described tract and containing 316.448  
4 acres of land.

5       SECTION 3. (a) The legal notice of the intention to  
6 introduce this Act, setting forth the general substance of this  
7 Act, has been published as provided by law, and the notice and a  
8 copy of this Act have been furnished to all persons, agencies,  
9 officials, or entities to which they are required to be furnished  
10 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
11 Government Code.

12       (b) The governor, one of the required recipients, has  
13 submitted the notice and Act to the Texas Commission on  
14 Environmental Quality.

15       (c) The Texas Commission on Environmental Quality has filed  
16 its recommendations relating to this Act with the governor,  
17 lieutenant governor, and speaker of the house of representatives  
18 within the required time.

19       (d) The general law relating to consent by political  
20 subdivisions to the creation of districts with conservation,  
21 reclamation, and road powers and the inclusion of land in those  
22 districts has been complied with.

23       (e) All requirements of the constitution and laws of this  
24 state and the rules and procedures of the legislature with respect  
25 to the notice, introduction, and passage of this Act have been  
26 fulfilled and accomplished.

27       SECTION 4. Subchapter E, Chapter 375, Local Government

1 Code, is amended by adding Section 375.0923 to read as follows:

2 Sec. 375.0923. NOTICE TO LEGISLATOR OF DISTRICT ACTION. A  
3 district may not take any action authorized under Sections  
4 375.092(c) through (n) unless the board first sends written notice  
5 describing the action to each state senator and state  
6 representative who represents a legislative district in which any  
7 part of the district is located.

8 SECTION 5. The change in law made by Section 375.0923, Local  
9 Government Code, as added by this Act, applies only to an action of  
10 a municipal management district taken on or after September 1,  
11 2013.

12 SECTION 6. This Act takes effect immediately if it receives  
13 a vote of two-thirds of all the members elected to each house, as  
14 provided by Section 39, Article III, Texas Constitution. If this  
15 Act does not receive the vote necessary for immediate effect, this  
16 Act takes effect September 1, 2013.

**ADOPTED**

MAY 22 2013

*Letty Spaul*  
Secretary of the Senate

By: Dutton

H.B. No. 3860

Substitute the following for H.B. No. 3860

By: *Spencer R. Geller*

C.S.H.B. No. 3860

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Generation Park Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3916 to read as follows:

CHAPTER 3916. GENERATION PARK MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3916.001. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "City" means the City of Houston, Texas.
- (3) "Commission" means the Texas Commission on Environmental Quality.
- (4) "County" means Harris County.
- (5) "Director" means a board member.
- (6) "District" means the Generation Park Management District.

Sec. 3916.002. CREATION AND NATURE OF DISTRICT. The Generation Park Management District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3916.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the

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creation of the district and to elect five permanent directors as  
provided by Section 49.102, Water Code.

Sec. 3916.004. CONSENT OF MUNICIPALITY REQUIRED. The  
temporary directors may not hold an election under Section 3916.003  
until each municipality in whose corporate limits or  
extraterritorial jurisdiction the district is located has consented  
by ordinance or resolution to the creation of the district and to  
the inclusion of land in the district.

Sec. 3916.005. PURPOSE; DECLARATION OF INTENT. (a) The  
creation of the district is essential to accomplish the purposes of  
Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
Texas Constitution, and other public purposes stated in this  
chapter. By creating the district, the legislature has established  
a program to accomplish the public purposes set out in Sections 52  
and 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote,  
develop, encourage, and maintain employment, commerce,  
transportation, housing, tourism, recreation, the arts,  
entertainment, economic development, safety, and the public welfare  
in the district.

(c) This chapter and the creation of the district may not be  
interpreted to relieve the city, the county, or another  
governmental entity from providing the level of services provided  
as of the effective date of the Act enacting this chapter to the  
area in the district. The district is created to supplement and

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not to supplant governmental services provided in the district.

Sec. 3916.006. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

(1) developing and diversifying the economy of the state;

(2) eliminating unemployment and underemployment; and

(3) developing or expanding transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways, road facilities, enhanced infrastructure, and recreational facilities and by landscaping and developing certain areas, which are necessary for

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the restoration, preservation, and enhancement of scenic and  
aesthetic beauty; and

(4) provide for water, wastewater, drainage, road, rail,  
and recreational facilities for the district.

(e) Pedestrian ways along or across a street, whether at  
grade or above or below the surface, and street lighting, street  
landscaping, parking, and street art objects and other improvements  
located in or adjacent to road rights-of-way are parts of and  
necessary components of a street and are considered to be a street  
or road improvement.

Sec. 3916.007. DISTRICT TERRITORY. (a) The district is  
initially composed of the territory described by Section 2 of the  
Act enacting this chapter.

(b) The boundaries and field notes of the district contained  
in Section 2 of the Act enacting this chapter form a closure. A  
mistake in the field notes or in copying the field notes in the  
legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bonds, notes, or other  
obligations for a purpose for which the district is created or to  
pay the principal of and interest on the bonds, notes, or other  
obligations;

(3) right to impose or collect an assessment or tax; or

(4) legality or operation.

Sec. 3916.008. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code;

(3) an enterprise zone created under Chapter 2303, Government Code;

(4) a foreign trade zone created under Chapter 681, Business & Commerce Code; or

(5) an industrial district created under Chapter 42, Local Government Code.

Sec. 3916.009. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3916.010. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

Sec. 3916.011. CONFLICTS OF LAW. This chapter prevails over any provision of general law, including a provision of Chapter 375, Local Government Code, that is in conflict or inconsistent with this chapter.

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3916.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five directors elected as provided by this

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chapter and Subchapter D, Chapter 49, Water Code.

(b) Except as provided by Section 3916.053, directors serve staggered four-year terms.

Sec. 3916.052. COMPENSATION. A director is entitled to receive fees of office and reimbursement for actual expenses as provided by Section 49.060, Water Code. Sections 375.069 and 375.070, Local Government Code, do not apply to the board.

Sec. 3916.053. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act creating this chapter, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. On request of the member of the state house of representatives in whose legislative district the largest percentage of the district is located, the owner or owners must include in the petition the name of a person designated by the representative. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 3916.003; or

(2) the fourth anniversary of the effective date of the Act creating this chapter.

(c) If permanent directors have not been elected under

Section 3916.003 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 3916.003; or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. On request of the member of the state house of representatives in whose legislative district the largest percentage of the district is located, the owner or owners must include in the petition the name of a person designated by the representative. The commission shall appoint as successor temporary directors the five persons named in the petition.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3916.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3916.102. IMPROVEMENT PROJECTS AND SERVICES. (a) The district may provide, design, construct, acquire, improve,

relocate, operate, maintain, or finance an improvement project or service using any money available to the district, or contract with a governmental or private entity to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or under Chapter 375, Local Government Code.

(b) An improvement project described by Subsection (a) may be located inside or outside the district.

Sec. 3916.103. RECREATIONAL FACILITIES. The district may develop or finance recreational facilities as authorized by Chapter 375, Local Government Code, Sections 52 and 52-a, Article III, Texas Constitution, and any other law that applies to the district.

Sec. 3916.104. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds, notes, or other obligations for, improve, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads or improvements, including storm drainage and other improvements located in or adjacent to road rights-of-way, in aid of those roads.

Sec. 3916.105. CONVEYANCE AND APPROVAL OF ROAD PROJECT. (a) The district shall convey a road project authorized by Section 3916.104 to:

(1) the municipality or county that will operate and maintain the road if the municipality or county has approved the

plans and specifications of the road project; or

(2) the state if the state will operate and maintain the road and the Texas Transportation Commission has approved the plans and specifications of the road project.

(b) Except as provided by Subsection (c), the district shall operate and maintain a road project authorized by Section 3916.104 that the district implements and is not approved by a municipality, a county, or this state under Subsection (a).

(c) The district may agree in writing with a municipality, a county, or this state to assign operation and maintenance duties to the district, the municipality, the county, or this state in a manner other than the manner described in Subsections (a) and (b).

Sec. 3916.106. RAIL FACILITIES. In addition to the powers granted under Section 375.0921(b), Local Government Code, and under Section 3916.151, the district may construct, acquire, improve, maintain, finance, and operate rail facilities and improvements in aid of those facilities for the transport of freight and other cargo.

Sec. 3916.107. DEVELOPMENT CORPORATION POWERS. The district, using money available to the district, may exercise the powers given to a development corporation under Chapter 505, Local Government Code, including the power to own, operate, acquire, construct, lease, improve, or maintain a project under that chapter.

Sec. 3916.108. NONPROFIT CORPORATION. (a) The board by

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resolution may authorize the creation of a nonprofit corporation to  
assist and act for the district in implementing a project or  
providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to be a local  
government corporation created under Subchapter D, Chapter 431,  
Transportation Code; and

(2) may implement any project and provide any service  
authorized by this chapter.

(c) The board shall appoint the board of directors of the  
nonprofit corporation. The board of directors of the nonprofit  
corporation shall serve in the same manner as the board of  
directors of a local government corporation created under  
Subchapter D, Chapter 431, Transportation Code, except that a board  
member is not required to reside in the district.

Sec. 3916.109. AGREEMENTS; GRANTS. (a) As provided by  
Chapter 375, Local Government Code, the district may make an  
agreement with or accept a gift, grant, or loan from any person.

(b) The implementation of a project is a governmental  
function or service for the purposes of Chapter 791, Government  
Code.

Sec. 3916.110. LAW ENFORCEMENT SERVICES. To protect the  
public interest, the district may contract with a qualified party,  
including the county or the city, to provide law enforcement  
services in the district for a separate fee or as otherwise

provided by the contract.

Sec. 3916.111. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3916.112. ECONOMIC DEVELOPMENT. (a) The district may engage in activities that accomplish the economic development purposes of the district.

(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:

(1) make loans and grants of public money; and

(2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers that:

(1) Chapter 380, Local Government Code, provides to a municipality;

(2) Chapter 381, Local Government Code, provides to a county; and

(3) Subchapter A, Chapter 1509, Government Code, provides to a municipality.

Sec. 3916.113. STRATEGIC PARTNERSHIP AGREEMENT. The district may negotiate and enter into a written strategic partnership agreement with the city under Section 43.0751, Local Government

Code.

Sec. 3916.114. REGIONAL PARTICIPATION AGREEMENT. The district may negotiate and enter into a written regional participation agreement with the city under Section 43.0754, Local Government Code.

Sec. 3916.115. ANNEXATION OR EXCLUSION OF LAND. (a) The district may annex land as provided by Subchapter J, Chapter 49, Water Code.

(b) The district may exclude land as provided by Subchapter J, Chapter 49, Water Code. Section 375.044(b), Local Government Code, does not apply to the district.

(c) After the district is organized and has obtained voter approval for the issuance of, or has sold, bonds payable wholly or partly from ad valorem taxes, the district may include and exclude land as provided by this section and Sections 54.740-54.747, Water Code. To the extent of a conflict between this subsection and Section 54.739, Water Code, this subsection controls.

(d) If the district has any outstanding bonds or contract obligations payable wholly or partly by a pledge of net revenues from the ownership or operation of the district's facilities at the time the board considers an application under Sections 54.740-54.747, Water Code, the lands proposed for inclusion shall be considered to be sufficient to avoid an impairment of the security for payment of obligations of the district if the projected net revenue to be derived from the lands to be included during the

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succeeding 12-month period, as determined by the district's  
engineer, equals or exceeds the projected net revenue that would  
otherwise have been derived from the lands to be excluded during  
the same period. To the extent of a conflict between this  
subsection and Section 54.744, Water Code, this subsection  
controls.

Sec. 3916.116. APPLICABILITY OF OTHER LAW TO CERTAIN  
CONTRACTS. (a) Subchapter I, Chapter 49, Water Code, applies to a  
district contract for construction work, equipment, materials, or  
machinery. The district may use a project delivery method  
described by Subchapter I, Chapter 49, Water Code, or Chapter 2267,  
Government Code.

(b) Sections 375.221 and 375.223, Local Government Code, do  
not apply to the district.

Sec. 3916.117. TERMS OF EMPLOYMENT; COMPENSATION. The board  
may employ and establish the terms of employment and compensation  
of an executive director or general manager and any other district  
employees the board considers necessary.

Sec. 3916.118. NO EMINENT DOMAIN POWER. The district may not  
exercise the power of eminent domain.

SUBCHAPTER C-1. PUBLIC TRANSIT SYSTEM AND PARKING FACILITIES

Sec. 3916.151. PUBLIC TRANSIT SYSTEM; PETITION REQUIRED. (a)  
The district may acquire, lease as lessor or lessee, construct,  
develop, own, operate, and maintain a public transit system to  
serve the area in the district.

(b) The board may not act under Subsection (a) unless a written petition requesting the action has been filed with the board.

(c) The petition must be signed by:

(1) the owners of property representing a majority of the total assessed value of the real property in the district that abuts the right-of-way in which the public transit system is proposed to be located; or

(2) the owners of a majority of the area of the real property in the district that abuts the right-of-way in which the public transit system is proposed to be located.

(d) For purposes of Subsection (c), the determination of a majority is based on the property owners along the entire right-of-way of the proposed transit project and may not be calculated on a block-by-block basis.

Sec. 3916.152. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 3916.153. RULES. The district may adopt rules covering its public transit system or its public parking facilities, except that a rule relating to or affecting the use of the public right-of-way or a requirement for off-street parking is subject to all applicable county requirements.

Sec. 3916.154. FEES. The district may set the amount of and impose a fee for the use of the district's public transit system and parking facilities.

Sec. 3916.155. AGREEMENT WITH RAPID TRANSIT AUTHORITY. (a) In this section, "authority" means a rapid transit authority created under Chapter 451, Transportation Code.

(b) The district and an authority may agree to jointly construct, own, operate, and maintain a transit facility or a parking facility under the terms the authority and district desire.

(c) The agreement may provide that the district and the authority exchange or trade land provided that each party to the agreement receives fair market value. The authority is not required to offer any property that it proposes to trade to the district for sale to the public or for sale to any abutting property owner.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

Sec. 3916.201. MONEY USED FOR IMPROVEMENTS OR SERVICES. The district may acquire, construct, finance, operate, maintain, or provide any improvement or service authorized under this chapter or Chapter 375, Local Government Code, using any money available to the district.

Sec. 3916.202. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) The petition must be signed by:

(1) the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county; or

(2) at least 50 persons who own real property in the district subject to assessment, if more than 50 persons own real property in the district according to the most recent certified tax appraisal roll for the county.

Sec. 3916.203. METHOD OF NOTICE FOR HEARING. The district may mail the notice required by Section 375.115(c), Local Government Code, by certified or first class United States mail. The board shall determine the method of notice.

Sec. 3916.204. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any

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purpose authorized by this chapter in all or any part of the district without regard to whether that area is already subject to or overlaps with an area of the district that is subject to a prior assessment imposed by the board.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district are:

(1) a first and prior lien against the property assessed;

(2) superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

Sec. 3916.205. TAX AND ASSESSMENT ABATEMENTS. The district may designate reinvestment zones and may grant abatements of a tax or assessment on property in the zones.

Sec. 3916.206. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS. The district may not impose an assessment on the property, including the equipment, rights-of-way, facilities, or improvements, of:

(1) an electric utility or a power generation company as defined by Section 31.002, Utilities Code;

(2) a gas utility as defined by Section 101.003 or 121.001, Utilities Code;

(3) a telecommunications provider as defined by Section 51.002, Utilities Code; or

(4) a person who provides to the public cable television or advanced telecommunications services.

Sec. 3916.207. CONDUITS. (a) The district may finance, acquire, construct, improve, operate, maintain, or charge a fee for the use of conduits for:

(1) fiber-optic cable and supporting facilities;

(2) electronic transmission and distribution lines and supporting facilities; or

(3) other types of transmission and distribution lines and supporting facilities.

(b) The district may not require a person to use a conduit for a purpose described by Subsection (a)(1) or for any other telecommunications purpose.

Sec. 3916.208. RESIDENTIAL PROPERTY. Section 375.161, Local Government Code, does not apply to:

- (1) a tax imposed by the district; or
- (2) a required payment for a service provided by the district, including water and sewer service.

Sec. 3916.209. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 3916.213, the district may impose an annual operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code, for any district purpose, including to:

- (1) operate and maintain the district;
- (2) construct or acquire improvements; or
- (3) provide a service.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

(c) Section 49.107(h), Water Code, does not apply to the district.

Sec. 3916.210. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by

the board without further voter approval.

Sec. 3916.211. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may by competitive bid or negotiated sale issue bonds, notes, or other obligations payable wholly or partly from taxes, including ad valorem taxes, or assessments, fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

(c) In addition to any other terms authorized by the board by bond order or resolution, the proceeds of the district's bonds may be used for a reserve fund, credit enhancement, or capitalized interest for the bonds.

(d) The limitation on the outstanding principal amount of bonds, notes, and other obligations provided by Section 49.4645, Water Code, does not apply to the district.

Sec. 3916.212. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 3916.213. ELECTIONS REGARDING TAXES AND BONDS. (a) The district may issue, without an election, bonds, notes, and other

obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 3916.210.

(b) The district must hold an election in the manner provided by Subchapter L, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax or sales and use tax or issue bonds payable from ad valorem taxes.

(c) Section 375.243, Local Government Code, does not apply to the district.

(d) All or any part of any facilities or improvements that may be acquired by a district by the issuance of district bonds may be included in one single proposition to be voted on at the election or the bonds may be submitted in several propositions.

Sec. 3916.214. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS. Except as provided by Section 375.263, Local Government Code, a municipality is not required to pay a bond, note, or other obligation of the district.

#### SUBCHAPTER E. DEFINED AREAS

Sec. 3916.226. AUTHORITY TO ESTABLISH DEFINED AREAS OR DESIGNATED PROPERTY. The district may define areas or designate certain property of the district to pay for improvements, facilities, or services that primarily benefit that area or property and do not generally and directly benefit the district as a whole.

Sec. 3916.227. PROCEDURE FOR ELECTION. (a) Before the

district may impose an ad valorem tax or issue bonds payable from ad valorem taxes of the defined area or designated property, the board shall hold an election in the defined area or in the designated property only.

(b) The election shall be conducted as provided by Section 3916.213.

(c) The board may submit the issues to the voters on the same ballot to be used in another election.

Sec. 3916.228. DECLARING RESULT AND ISSUING ORDER. (a) If a majority of the voters voting at the election approve the proposition or propositions, the board shall declare the results and, by order, shall establish the defined area and describe it by metes and bounds or designate the specific property.

(b) A court may not review the board's order except on the ground of fraud, palpable error, or arbitrary and confiscatory abuse of discretion.

Sec. 3916.229. TAXES FOR SERVICES, IMPROVEMENTS, AND FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter approval and adoption of the order described by Section 3916.228, the district may apply separately, differently, equitably, and specifically its taxing power and lien authority to the defined area or designated property to provide money to construct, administer, maintain, and operate services, improvements, and facilities that primarily benefit the defined area or designated property.

Sec. 3916.230. ISSUANCE OF BONDS FOR DEFINED AREA OR DESIGNATED PROPERTY. After the order under Section 3916.228 is adopted, the district may issue bonds to provide for any land, improvements, facilities, plants, equipment, and appliances for the defined area or designated property.

SUBCHAPTER F. SALES AND USE TAX

Sec. 3916.251. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS.

(a) Chapter 321, Tax Code, governs the imposition, computation, administration, enforcement, and collection of the sales and use tax authorized by this subchapter except to the extent Chapter 321, Tax Code, is inconsistent with this chapter.

(b) A reference in Chapter 321, Tax Code, to a municipality or the governing body of a municipality is a reference to the district or the board, respectively.

Sec. 3916.252. ELECTION; ADOPTION OF TAX. (a) The district may adopt a sales and use tax if authorized by a majority of the voters of the district voting at an election held for that purpose.

(b) The board by order may call an election to authorize the adoption of the sales and use tax. The election may be held on any uniform election date and in conjunction with any other district election.

(c) The ballot shall be printed to provide for voting for or against the proposition: "Authorization of a sales and use tax in the Generation Park Management District at a rate not to exceed \_\_\_\_\_ percent" (insert rate of one or more increments of one-eighth

of one percent).

Sec. 3916.253. SALES AND USE TAX RATE. (a) On or after the date the results are declared of an election held under Section 3916.252, at which the voters approved imposition of the tax authorized by this subchapter, the board shall determine and adopt by resolution or order the initial rate of the tax, which must be in one or more increments of one-eighth of one percent.

(b) After the election held under Section 3916.252, the board may increase or decrease the rate of the tax by one or more increments of one-eighth of one percent.

(c) The initial rate of the tax or any rate resulting from subsequent increases or decreases may not exceed the lesser of:

(1) the maximum rate authorized by the district voters at the election held under Section 3916.252; or

(2) a rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district, would result in the maximum combined rate prescribed by Section 321.101(f), Tax Code, at any location in the district.

Sec. 3916.254. TAX AFTER ANNEXATION. (a) This section applies to the district after a municipality annexes part of the territory in the district and imposes the municipality's sales and use tax in the annexed territory.

(b) If at the time of annexation the district has outstanding debt or other obligations payable wholly or partly from district

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sales and use tax revenue, Section 321.102(g), Tax Code, applies to  
the district.

(c) If at the time of annexation the district does not have  
outstanding debt or other obligations payable wholly or partly from  
district sales and use tax revenue, the district may:

(1) exclude the annexed territory from the district, if  
the district has no outstanding debt or other obligations payable  
from any source; or

(2) reduce the sales and use tax in the annexed  
territory by resolution or order of the board to a rate that, when  
added to the sales and use tax rate imposed by the municipality in  
the annexed territory, is equal to the sales and use tax rate  
imposed by the district in the district territory that was not  
annexed by the municipality.

Sec. 3916.255. NOTIFICATION OF RATE CHANGE. The board shall  
notify the comptroller of any changes made to the tax rate under  
this subchapter in the same manner the municipal secretary provides  
notice to the comptroller under Section 321.405(b), Tax Code.

Sec. 3916.256. USE OF REVENUE. Revenue from the sales and  
use tax imposed under this subchapter is for the use and benefit of  
the district and may be used for any district purpose. The  
district may pledge all or part of the revenue to the payment of  
bonds, notes, or other obligations, and that pledge of revenue may  
be in combination with other revenue, including tax revenue,  
available to the district.

Sec. 3916.257. ABOLITION OF TAX. (a) Except as provided by Subsection (b), the board may abolish the tax imposed under this subchapter without an election.

(b) The board may not abolish the tax imposed under this subchapter if the district has outstanding debt secured by the tax, and repayment of the debt would be impaired by the abolition of the tax.

(c) If the board abolishes the tax, the board shall notify the comptroller of that action in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

(d) If the board abolishes the tax or decreases the tax rate to zero, a new election to authorize a sales and use tax must be held under Section 3916.252 before the district may subsequently impose the tax.

(e) This section does not apply to a decrease in the sales and use tax authorized under Section 3916.254(c)(2).

#### SUBCHAPTER G. HOTEL OCCUPANCY TAX

Sec. 3916.301. DEFINITION. In this subchapter, "hotel" has the meaning assigned by Section 156.001, Tax Code.

#### Sec. 3916.302. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS.

(a) In this subchapter:

(1) a reference in Subchapter A, Chapter 352, Tax Code, to a county is a reference to the district; and

(2) a reference in Subchapter A, Chapter 352, Tax Code,

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to the commissioners court is a reference to the board.

(b) Except as inconsistent with this subchapter, Subchapter A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized by this subchapter, including the collection of the tax, subject to the limitations prescribed by Sections 352.002(b) and (c), Tax Code.

Sec. 3916.303. TAX AUTHORIZED; USE OF REVENUE. The district may impose a hotel occupancy tax for any purpose described by Section 351.101 or 352.101, Tax Code.

Sec. 3916.304. TAX RATE. (a) The amount of the hotel occupancy tax may not exceed the lesser of:

(1) the maximum rate prescribed by Section 352.003(a), Tax Code; or

(2) a rate that, when added to the rates of all hotel occupancy taxes imposed by other political subdivisions with territory in the district and by this state, does not exceed the sum of the rate prescribed by Section 351.0025(b), Tax Code, and two percent.

(b) The district tax is in addition to a tax imposed by the city under Chapter 351, Tax Code, or by the county under Chapter 352, Tax Code.

Sec. 3916.305. INFORMATION. The district may examine and receive information related to the imposition of hotel occupancy taxes to the same extent as if the district were a county.

Sec. 3916.306. USE OF REVENUE. The district may use revenue

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from the hotel occupancy tax for any district purpose that is an  
authorized use of hotel occupancy tax revenue under Chapters 351 or  
352, Tax Code. The district may pledge all or part of the revenue  
to the payment of bonds, notes, or other obligations and that  
pledge of revenue may be in combination with other revenue  
available to the district.

Sec. 3916.307. ABOLITION OF TAX. (a) Except as provided by  
Subsection (b), the board may abolish the tax imposed under this  
subchapter.

(b) The board may not abolish the tax imposed under this  
subchapter if the district has outstanding debt secured by the tax,  
and repayment of the debt would be impaired by the abolition of the  
tax.

#### SUBCHAPTER H. DISSOLUTION AND CONSOLIDATION

Sec. 3916.351. DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBT.

(a) The board may dissolve the district regardless of whether the  
district has debt. Section 375.264, Local Government Code, does  
not apply to the district.

(b) If the district has debt when it is dissolved, the  
district shall remain in existence solely for the purpose of  
discharging its debts. The dissolution is effective when all debts  
have been discharged.

Sec. 3916.352. CONSOLIDATION. In addition to any other  
provision provided by law, including Subchapter M, Chapter 375,  
Local Government Code, the district and one or more other districts

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governed by Chapter 54, Water Code, may be consolidated in  
accordance with Subchapter H, Chapter 54, Water Code.

SECTION 2. The Generation Park Management District initially includes all the territory contained in the following area:

All that certain 316.448 acres of land out of the 1804.19 acre tract described in the deed from Robert C. Hux, et al to FRM N.E. Belt Venture #1, Ltd. recorded under File No. T107162, in the Official Public Records of Real Property of Harris County, Texas, in the Victor Blanco Survey, A-2, Harris County, Texas, and more particularly described by metes and bounds as follows: (All bearings based on Texas State Plane Coordinate System, South Central Zone)

BEGINNING at the northwest corner of the herein described tract, common to a found 5/8" iron rod, in the north line of said 1804.19 acre tract, and in the east right-of-way line of Beltway 8 (East Loop) (R.O.W. Varies);

THENCE North 88° 05' 36" East - 1783.65' along said north line to the northeast corner of the herein described tract from which a brass disc in concrete found for the northeast corner of said 1804.19 acre tract in the west right-of-way line of Lake Houston Parkway (300' R.O.W.) bears North 88° 05' 36" East - 9564.04';

THENCE South 34° 50' 50" East - 591.18' to an angle corner of the herein described tract;

THENCE South 29° 23' 48" West - 1130.88' to an angle corner of the herein described tract;

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THENCE South  $34^{\circ} 39' 21''$  East - 222.10' to an angle corner of the herein described tract;

THENCE South  $71^{\circ} 53' 22''$  East - 251.89' to an angle corner of the herein described tract;

THENCE South  $24^{\circ} 02' 14''$  East - 689.83' to an angle corner of the herein described tract;

THENCE South  $03^{\circ} 49' 02''$  West - 1177.11' to an angle corner of the herein described tract;

THENCE South  $22^{\circ} 34' 05''$  East - 893.29' to an angle corner of the herein described tract;

THENCE South  $55^{\circ} 11' 23''$  West - 1634.61' to an angle corner of the herein described tract;

THENCE South  $77^{\circ} 29' 40''$  East - 2386.24' to the southeast corner of the herein described tract the south line of the aforesaid 1804.19 acre tract;

THENCE South  $87^{\circ} 35' 19''$  West - 535.60' along said south line to an angle corner of the herein described tract

THENCE South  $87^{\circ} 31' 04''$  West - 3522.50', along said south line to a  $5/8''$  iron rod found in the east right-of-way line of aforesaid Beltway 8, common to the southwest corner of the herein described tract, common to a point on a curve to the right, having a central angle of  $02^{\circ} 21' 08''$ , a radius of 2614.79', and from which the center of the circle of said curve bears South  $86^{\circ} 23' 17''$  East;

THENCE along said curve to the right, along said east right-

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of-way line, in a northerly direction, an arc distance of 107.35'  
to the end of curve;

THENCE North 05° 42' 21" East - 5848.90' to the POINT OF  
BEGINNING of the herein described tract and containing 316.448  
acres of land.

SECTION 3. (a) The legal notice of the intention to  
introduce this Act, setting forth the general substance of this  
Act, has been published as provided by law, and the notice and a  
copy of this Act have been furnished to all persons, agencies,  
officials, or entities to which they are required to be furnished  
under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
Government Code.

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

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

(d) The general law relating to consent by political  
subdivisions to the creation of districts with conservation,  
reclamation, and road powers and the inclusion of land in those  
districts has been complied with.

(e) All requirements of the constitution and laws of this  
state and the rules and procedures of the legislature with respect

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to the notice, introduction, and passage of this Act have been  
fulfilled and accomplished.

SECTION 4. This Act takes effect immediately if it receives a  
vote of two-thirds of all the members elected to each house, as  
provided by Section 39, Article III, Texas Constitution. If this  
Act does not receive the vote necessary for immediate effect, this  
Act takes effect September 1, 2013.

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 23, 2013**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3860** by Dutton (Relating to the creation of the Generation Park Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Passed 2nd House**

<b>No significant fiscal implication to the State is anticipated.</b>
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This bill would amend Subtitle C, Title 4, of the Special District Local Laws Code by adding Chapter 3916, creating the Generation Park Management District.

The bill would create the Generation Park Management District, the location of which is defined in the bill, under the provisions of Section 59, Article XVI, of the Texas Constitution. The bill would provide for the creation of a board of directors to govern the district and set the duties and powers of the board. The bill would allow the district to develop recreational facilities and to design, acquire, construct, finance, issue bonds, notes, or other obligations for road projects and convey the road project to a municipality, county, or the state as provided by the bill. The bill also would allow the district to construct, acquire, improve, maintain, finance, and operate rail facilities.

The bill would allow the district to authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter; authorize the district to accept a grant, gift, or loan from any person; and allow the district to join and pay dues to certain charitable or nonprofit organizations. The district would be allowed to enter into a written strategic partnership agreement with the City of Houston. The district would be allowed to annex or exclude land as provided by Subchapter J, Chapter 49, of the Water Code. The district would not be allowed to exercise eminent domain power.

The bill would allow the district to acquire, lease as a lessor or lessee, construct, develop, own, operate, and maintain a public transit system and parking facilities to serve the area in the district. The district would be allowed to impose a fee for the use of the district's public transit system and parking facilities.

The bill would allow the board to impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district without regard to whether that area is already subject to or overlaps with an area of the district that is subject to a prior assessment imposed by the board. The district would be allowed to designate reinvestment zones and would be allowed to grant abatements of a tax or assessment on the property in the zones.

The bill would allow a district to acquire, construct, improve, operate, maintain, or charge a fee for the use of conduits for certain facilities within the district. The district would not be allowed to

require a person to use a conduit for a telecommunications purpose. The district would be allowed to impose an annual operation and maintenance tax on taxable property in the district if authorized at an election held in accordance with this chapter. The district also would be allowed to impose a tax other than an operation and maintenance tax and use the revenue to make payments under a contract provided the provisions of the contract have been approved by a majority of the district voters at an election held for that purpose.

The bill would allow the district to borrow money and issue bonds on terms determined by the board. The board would be allowed to provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds issued are outstanding to service the bonds. The district would be required to hold an election to obtain voter approval before the district would be allowed to impose an ad valorem tax or sales and use tax or issue bonds payable from ad valorem taxes. The bill would set the procedures for such elections.

The district would be allowed to impose a sales and use tax authorized under Chapter 321 of the Tax Code, relating to local sales and use taxes, provided the district obtained voter approval for the imposition of the sales and use tax at an election held for that purpose. The rate of the sales and use tax imposed would be set by the board and would be in increments of one-eighth of one percent. The initial rate of the sales and use tax would be the lesser of (1) the maximum rate authorized by the district voters held at the election regarding the imposition of the tax or (2) the rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district would result in the maximum combined rate prescribed by Section 321.101(f) of the Tax Code at any location in the district.

The bill would allow the district to impose a hotel occupancy tax authorized under Chapter 352 of the Tax Code, relating to county hotel occupancy taxes. The district would be directed to set the rate of the hotel occupancy tax at the lesser of (1) the maximum rate prescribed by Section 352.003(a) of the Tax Code or (2) the rate that, when added to the rates of hotel occupancy taxes imposed by other political subdivisions with territory in the district and by the state, does not exceed the sum of the rate prescribed by Section 351.0025(b) of the Tax Code and two percent.

This bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2013.

### **Local Government Impact**

The tax rates that would be set by the district regarding ad valorem, sales and use, and hotel occupancy taxes are unknown and their imposition would be dependent on voter approval in the district. Therefore the revenue generated by Generation Park Management Districts is unknown.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** UP, SD, KKR, KK

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 17, 2013**

**TO:** Honorable Juan Hinojosa, Chair, Senate Committee on Intergovernmental Relations

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3860** by Dutton (relating to the creation of the Generation Park Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **Committee Report 2nd House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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This bill would amend Subtitle C, Title 4, of the Special District Local Laws Code by adding Chapter 3916, creating the Generation Park Management District.

The bill would create the Generation Park Management District, the location of which is defined in the bill, under the provisions of Section 59, Article XVI, of the Texas Constitution. The bill would provide for the creation of a board of directors to govern the district and set the duties and powers of the board. The bill would allow the district to develop recreational facilities and to design, acquire, construct, finance, issue bonds, notes, or other obligations for road projects and convey the road project to a municipality, county, or the state as provided by the bill. The bill also would allow the district to construct, acquire, improve, maintain, finance, and operate rail facilities.

The bill would allow the district to authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter; authorize the district to accept a grant, gift, or loan from any person; and allow the district to join and pay dues to certain charitable or nonprofit organizations. The district would be allowed to enter into a written strategic partnership agreement with the City of Houston. The district would be allowed to annex or exclude land as provided by Subchapter J, Chapter 49, of the Water Code. The district would not be allowed to exercise eminent domain power.

The bill would allow the district to acquire, lease as a lessor or lessee, construct, develop, own, operate, and maintain a public transit system and parking facilities to serve the area in the district. The district would be allowed to impose a fee for the use of the district's public transit system and parking facilities.

The bill would allow the board to impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district without regard to whether that area is already subject to or overlaps with an area of the district that is subject to a prior assessment imposed by the board. The district would be allowed to designate reinvestment zones and would be allowed to grant abatements of a tax or assessment on the property in the zones.

The bill would allow a district to acquire, construct, improve, operate, maintain, or charge a fee for the use of conduits for certain facilities within the district. The district would not be allowed to

require a person to use a conduit for a telecommunications purpose. The district would be allowed to impose an annual operation and maintenance tax on taxable property in the district if authorized at an election held in accordance with this chapter. The district also would be allowed to impose a tax other than an operation and maintenance tax and use the revenue to make payments under a contract provided the provisions of the contract have been approved by a majority of the district voters at an election held for that purpose.

The bill would allow the district to borrow money and issue bonds on terms determined by the board. The board would be allowed to provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds issued are outstanding to service the bonds. The district would be required to hold an election to obtain voter approval before the district would be allowed to impose an ad valorem tax or sales and use tax or issue bonds payable from ad valorem taxes. The bill would set the procedures for such elections.

The district would be allowed to impose a sales and use tax authorized under Chapter 321 of the Tax Code, relating to local sales and use taxes, provided the district obtained voter approval for the imposition of the sales and use tax at an election held for that purpose. The rate of the sales and use tax imposed would be set by the board and would be in increments of one-eighth of one percent. The initial rate of the sales and use tax would be the lesser of (1) the maximum rate authorized by the district voters held at the election regarding the imposition of the tax or (2) the rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district would result in the maximum combined rate prescribed by Section 321.101(f) of the Tax Code at any location in the district.

The bill would allow the district to impose a hotel occupancy tax authorized under Chapter 352 of the Tax Code, relating to county hotel occupancy taxes. The district would be directed to set the rate of the hotel occupancy tax at the lesser of (1) the maximum rate prescribed by Section 352.003(a) of the Tax Code or (2) the rate that, when added to the rates of hotel occupancy taxes imposed by other political subdivisions with territory in the district and by the state, does not exceed the sum of the rate prescribed by Section 351.0025(b) of the Tax Code and two percent.

This bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2013.

### **Local Government Impact**

The tax rates that would be set by the district regarding ad valorem, sales and use, and hotel occupancy taxes are unknown and their imposition would be dependent on voter approval in the district. Therefore the revenue generated by Generation Park Management Districts is unknown.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** UP, KKR, KK

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 16, 2013**

**TO:** Honorable Juan Hinojosa, Chair, Senate Committee on Intergovernmental Relations

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3860** by Dutton (Relating to the creation of the Generation Park Management District and required notice by municipal management districts of certain actions; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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This bill would amend Subtitle C, Title 4, of the Special District Local Laws Code by adding Chapter 3916, creating the Generation Park Management District.

The bill would create the Generation Park Management District, the location of which is defined in the bill, under the provisions of Section 59, Article XVI, of the Texas Constitution. The bill would provide for the creation of a board of directors to govern the district and set the duties and powers of the board. The bill would allow the district to develop recreational facilities and to design, acquire, construct, finance, issue bonds, notes, or other obligations for road projects and convey the road project to a municipality, county, or the state as provided by the bill. The bill also would allow the district to construct, acquire, improve, maintain, finance, and operate rail facilities.

The bill would allow the district to authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter; authorize the district to accept a grant, gift, or loan from any person; and allow the district to join and pay dues to certain charitable or nonprofit organizations. The district would be allowed to enter into a written strategic partnership agreement with the City of Houston. The district would be allowed to annex or exclude land as provided by Subchapter J, Chapter 49, of the Water Code. The district would not be allowed to exercise eminent domain power.

The bill would allow the district to acquire, lease as a lessor or lessee, construct, develop, own, operate, and maintain a public transit system and parking facilities to serve the area in the district. The district would be allowed to impose a fee for the use of the district's public transit system and parking facilities.

The bill would allow the board to impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district without regard to whether that area is already subject to or overlaps with an area of the district that is subject to a prior assessment imposed by the board. The district would be allowed to designate reinvestment zones and would be allowed to grant abatements of a tax or assessment on the property in the zones.

The bill would allow a district to acquire, construct, improve, operate, maintain, or charge a fee for

the use of conduits for certain facilities within the district. The district would not be allowed to require a person to use a conduit for a telecommunications purpose. The district would be allowed to impose an annual operation and maintenance tax on taxable property in the district if authorized at an election held in accordance with this chapter. The district also would be allowed to impose a tax other than an operation and maintenance tax and use the revenue to make payments under a contract provided the provisions of the contract have been approved by a majority of the district voters at an election held for that purpose.

The bill would allow the district to borrow money and issue bonds on terms determined by the board. The board would be allowed to provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds issued are outstanding to service the bonds. The district would be required to hold an election to obtain voter approval before the district would be allowed to impose an ad valorem tax or sales and use tax or issue bonds payable from ad valorem taxes. The bill would set the procedures for such elections.

The district would be allowed to impose a sales and use tax authorized under Chapter 321 of the Tax Code, relating to local sales and use taxes, provided the district obtained voter approval for the imposition of the sales and use tax at an election held for that purpose. The rate of the sales and use tax imposed would be set by the board and would be in increments of one-eighth of one percent. The initial rate of the sales and use tax would be the lesser of (1) the maximum rate authorized by the district voters held at the election regarding the imposition of the tax or (2) the rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district would result in the maximum combined rate prescribed by Section 321.101(f) of the Tax Code at any location in the district.

The bill would allow the district to impose a hotel occupancy tax authorized under Chapter 352 of the Tax Code, relating to county hotel occupancy taxes. The district would be directed to set the rate of the hotel occupancy tax at the lesser of (1) the maximum rate prescribed by Section 352.003(a) of the Tax Code or (2) the rate that, when added to the rates of hotel occupancy taxes imposed by other political subdivisions with territory in the district and by the state, does not exceed the sum of the rate prescribed by Section 351.0025(b) of the Tax Code and two percent.

This bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2013.

### **Local Government Impact**

The tax rates that would be set by the district regarding ad valorem, sales and use, and hotel occupancy taxes are unknown and their imposition would be dependent on voter approval in the district. Therefore the revenue generated by Generation Park Management Districts is unknown.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** UP, KKR, KK

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 2, 2013**

**TO:** Honorable Dennis Bonnen, Chair, House Committee on Special Purpose Districts

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3860** by Dutton (relating to the creation of the Generation Park Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **Committee Report 1st House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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This bill would amend Subtitle C, Title 4, of the Special District Local Laws Code by adding Chapter 3916, creating the Generation Park Management District.

The bill would create the Generation Park Management District, the location of which is defined in the bill, under the provisions of Section 59, Article XVI, of the Texas Constitution. The bill would provide for the creation of a board of directors to govern the district and set the duties and powers of the board. The bill would allow the district to develop recreational facilities and to design, acquire, construct, finance, issue bonds, notes, or other obligations for road projects and convey the road project to a municipality, county, or the state as provided by the bill. The bill also would allow the district to construct, acquire, improve, maintain, finance, and operate rail facilities.

The bill would allow the district to authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter; authorize the district to accept a grant, gift, or loan from any person; and allow the district to join and pay dues to certain charitable or nonprofit organizations. The district would be allowed to enter into a written strategic partnership agreement with the City of Houston. The district would be allowed to annex or exclude land as provided by Subchapter J, Chapter 49, of the Water Code. The district would not be allowed to exercise eminent domain power.

The bill would allow the district to acquire, lease as a lessor or lessee, construct, develop, own, operate, and maintain a public transit system and parking facilities to serve the area in the district. The district would be allowed to impose a fee for the use of the district's public transit system and parking facilities.

The bill would allow the board to impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district without regard to whether that area is already subject to or overlaps with an area of the district that is subject to a prior assessment imposed by the board. The district would be allowed to designate reinvestment zones and would be allowed to grant abatements of a tax or assessment on the property in the zones.

The bill would allow a district to acquire, construct, improve, operate, maintain, or charge a fee for the use of conduits for certain facilities within the district. The district would not be allowed to

require a person to use a conduit for a telecommunications purpose. The district would be allowed to impose an annual operation and maintenance tax on taxable property in the district if authorized at an election held in accordance with this chapter. The district also would be allowed to impose a tax other than an operation and maintenance tax and use the revenue to make payments under a contract provided the provisions of the contract have been approved by a majority of the district voters at an election held for that purpose.

The bill would allow the district to borrow money and issue bonds on terms determined by the board. The board would be allowed to provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds issued are outstanding to service the bonds. The district would be required to hold an election to obtain voter approval before the district would be allowed to impose an ad valorem tax or sales and use tax or issue bonds payable from ad valorem taxes. The bill would set the procedures for such elections.

The district would be allowed to impose a sales and use tax authorized under Chapter 321 of the Tax Code, relating to local sales and use taxes, provided the district obtained voter approval for the imposition of the sales and use tax at an election held for that purpose. The rate of the sales and use tax imposed would be set by the board and would be in increments of one-eighth of one percent. The initial rate of the sales and use tax would be the lesser of (1) the maximum rate authorized by the district voters held at the election regarding the imposition of the tax or (2) the rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district would result in the maximum combined rate prescribed by Section 321.101(f) of the Tax Code at any location in the district.

The bill would allow the district to impose a hotel occupancy tax authorized under Chapter 352 of the Tax Code, relating to county hotel occupancy taxes. The district would be directed to set the rate of the hotel occupancy tax at the lesser of (1) the maximum rate prescribed by Section 352.003(a) of the Tax Code or (2) the rate that, when added to the rates of hotel occupancy taxes imposed by other political subdivisions with territory in the district and by the state, does not exceed the sum of the rate prescribed by Section 351.0025(b) of the Tax Code and two percent.

This bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2013.

### **Local Government Impact**

The tax rates that would be set by the district regarding ad valorem, sales and use, and hotel occupancy taxes are unknown and their imposition would be dependent on voter approval in the district. Therefore the revenue generated by Generation Park Management Districts is unknown.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** UP, KKR, KK

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 16, 2013**

**TO:** Honorable Dennis Bonnen, Chair, House Committee on Special Purpose Districts

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3860** by Dutton (Relating to the creation of the Generation Park Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
---

This bill would amend Subtitle C, Title 4, of the Special District Local Laws Code by adding Chapter 3916, creating the Generation Park Management District.

The bill would create the Generation Park District, the location of which is defined in the bill, under the provisions of Section 59, Article XVI, of the Texas Constitution. The bill would provide for the creation of a board of directors to govern the district and set the duties and powers of the board.

The bill would allow the district to develop recreational facilities and to design, acquire, construct, finance, issue bonds, notes, or other obligations for road projects and convey the road project to a municipality, county, or the state as provided by the bill. The bill also would allow the district to construct, acquire, improve, maintain, finance, and operate rail facilities.

The bill would allow the district to authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter; authorize the district to accept a grant, gift, or loan from any person; and allow the district to join and pay dues to certain charitable or nonprofit organizations. The district would be allowed enter into a written strategic partnership agreement with the City of Houston. The district would be allowed to annex or exclude land as provided by Subchapter J, Chapter 49, of the Water Code. The district would not be allowed to exercise eminent domain power.

The bill would allow the district to acquire, lease as a lessor or lessee, construct, develop, own, operate, and maintain a public transit system and parking facilities to serve the area in the district. The district would be allowed to impose a fee for the use of the district's public transit system and parking facilities.

The bill would allow the board to impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district without regard to whether that area is already subject to or overlaps with an area of the district that is subject to a prior assessment imposed by the board. The district would be allowed to designate reinvestment zones and would be allowed to grant abatements of a tax or assessment on the property in the zones.

The bill would allow a district to acquire, construct, improve, operate, maintain, or charge a fee for

the use of conduits for certain purposes within the district. The district would be allowed to impose an annual operation and maintenance tax on taxable property in the district if authorized at an election held in accordance with this chapter. The district would also be allowed to impose a tax other than an operation and maintenance tax and use the revenue to make payments under a contract provided the provisions of the contract have been approved by a majority of the district voters at an election held for that purpose.

The bill would allow the district to borrow money and issue bonds on terms determined by the board. The board would be allowed to provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds issued are outstanding to service the bonds. The district would be required to hold an election to obtain voter approval before the district would be allowed to impose an ad valorem tax or sales and use tax or issue bonds payable from ad valorem taxes. The bill would set the procedures for such elections.

The district would be allowed to impose a sales and use tax authorized under Chapter 321 of the Tax Code, relating to local sales and use taxes, provided the district obtained voter approval for the imposition of the sales and use tax at an election held for that purpose. The rate of the sales and use tax imposed would be set by the board and would be in increments of one-eighth of one percent. The initial rate of the sales and use tax would be the lesser of (1) the maximum rate authorized by the district voters held at the election regarding the imposition of the tax or (2) the rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district would result in the maximum combined rate prescribed by Section 321.101(f) of the Tax Code at any location in the district.

The bill would allow the district to impose a hotel occupancy tax authorized under Chapter 352 of the tax code, relating to county hotel occupancy taxes. The district would be directed to set the rate of the hotel occupancy tax at the lesser of (1) the maximum rate prescribed by Section 352.003(a) of the Tax Code or (2) the rate that, when added to the rates of hotel occupancy taxes imposed by other political subdivisions with territory in the district and by the state, does not exceed the sum of the rate prescribed by Section 351.0025(b) of the Tax Code, and two percent.

This bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2013.

### **Local Government Impact**

The tax rates that would be set by the district regarding ad valorem, sales and use, and hotel occupancy taxes are unknown and their imposition would be dependent on voter approval in the district. There could be an indeterminate revenue gain to newly created Special Districts that choose to impose an ad valorem, sales and use, or hotel occupancy tax in accordance with provisions in the bill.

**Source Agencies:** 304 Comptroller of Public Accounts, 582 Commission on Environmental Quality, 601 Department of Transportation

**LBB Staff:** UP, KKR, SD, KK