

House Bill 3860
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

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 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

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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

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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 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.

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(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 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

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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.

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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.

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.

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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

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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

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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

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board by 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

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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

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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 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

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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.

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(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.

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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

SUBCHAPTER D. Same as House version.

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

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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 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.

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(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;

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(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

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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.

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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.

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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

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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).

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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 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:

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(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

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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, 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

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Sec. 3916.301. Same as House version.

Sec. 3916.302. Same as House version.

Sec. 3916.303. Same as House version

Sec. 3916.304. Same as House version.

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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 from the hotel occupancy tax 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 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.

Sec. 3916.305. Same as House version.

Sec. 3916.306. USE OF REVENUE. The district may use revenue 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. Same as House version.

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SUBCHAPTER H. DISSOLUTION AND CONSOLIDATION

SUBCHAPTER H. Same as House version.

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 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

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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;

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

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

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

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

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

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

THENCE South 77° 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° 35' 19" West - 535.60' along said south line to an angle corner of the herein described tract

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THENCE South 87° 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° 21' 08", a radius of 2614.79', and from which the center of the circle of said curve bears South 86° 23' 17" East;

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

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SECTION 3. Same as House version.

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

SECTION 4. Subchapter E, Chapter 375, Local Government Code, is amended by adding Section 375.0923 to read as follows:

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

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

SECTION 6. 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.

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No equivalent provision.

No equivalent provision.

SECTION 4. Same as House version.

CONFERENCE