

By: Schaefer

H.B. No. 1249

A BILL TO BE ENTITLED

AN ACT

relating to authorizing certain general infrastructure projects to be undertaken by economic development corporations.

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

SECTION 1. Subchapter C, Chapter 501, Local Government Code, is amended by adding Section 501.1031 to read as follows:

Sec. 501.1031. CERTAIN GENERAL INFRASTRUCTURE PROJECTS. In this subtitle, "project" includes expenditures that are found by the board of directors to be suitable for general infrastructure, limited to the development, improvement, maintenance, or expansion of:

(1) streets and roads;

(2) water supply facilities; or

(3) sewage facilities.

SECTION 2. Section 504.103(a), Local Government Code, is amended to read as follows:

(a) Except as otherwise provided by this section or Section 501.1031, a Type A economic development corporation may not undertake a project the primary purpose of which is to provide:

(1) a transportation facility;

(2) a solid waste disposal facility;

(3) a sewage facility;

(4) a facility for furnishing water to the general public; or

1 (5) an air or water pollution control facility.

2 SECTION 3. Subchapter D, Chapter 504, Local Government
3 Code, is amended by adding Section 504.172 to read as follows:

4 Sec. 504.172. AUTHORITY TO UNDERTAKE CERTAIN GENERAL
5 INFRASTRUCTURE PROJECTS; ELECTION. (a) Notwithstanding any other
6 provision of this subtitle, a Type A economic development
7 corporation may not use proceeds from the sales and use tax or other
8 corporate revenues to undertake the category of projects described
9 by Section 501.1031 unless the use of tax proceeds or other
10 corporate revenues for that purpose is authorized by an election as
11 provided by this section.

12 (b) The governing body of a Type A economic development
13 corporation's authorizing municipality by resolution may order an
14 election on the question of approving the use of sales and use tax
15 proceeds and other corporate revenues for the category of projects
16 described by Section 501.1031. The resolution must be passed by
17 majority vote of all members of the municipality's governing body
18 and entered in its minutes.

19 (c) The governing body of a Type A economic development
20 corporation's authorizing municipality shall order an election on
21 the question described by Subsection (b) on receipt of a petition
22 requesting the election that is signed by a number of registered
23 voters of the municipality equal to at least 10 percent of the
24 number of voters participating in the last general election held in
25 the municipality.

26 (d) An election under this section must be held on the first
27 authorized uniform election date prescribed by Chapter 41, Election

1 Code, that occurs after the date the election is ordered and that
2 allows sufficient time to comply with other requirements of law.

3 (e) The ballot in an election under this section shall be
4 printed to provide for voting for or against the proposition:
5 "Allowing the use of Type A economic development corporation sales
6 tax funds and other corporate revenues for streets and roads, water
7 supply facilities, or sewage facilities in the City of _____."

8 SECTION 4. The heading to Subchapter D, Chapter 505, Local
9 Government Code, is amended to read as follows:

10 SUBCHAPTER D. AUTHORIZATION FOR ADDITIONAL ~~[AUTHORIZED]~~ PROJECTS

11 SECTION 5. Subchapter D, Chapter 505, Local Government
12 Code, is amended by adding Section 505.162 to read as follows:

13 Sec. 505.162. AUTHORITY TO UNDERTAKE CERTAIN GENERAL
14 INFRASTRUCTURE PROJECTS; ELECTION. (a) Notwithstanding any other
15 provision of this subtitle, a Type B economic development
16 corporation may not use proceeds from the sales and use tax or other
17 corporate revenues to undertake the category of projects described
18 by Section 501.1031 unless the use of tax proceeds or other
19 corporate revenues for that purpose is authorized by an election as
20 provided by this section.

21 (b) The governing body of a Type B economic development
22 corporation's authorizing municipality by resolution may order an
23 election on the question of approving the use of sales and use tax
24 proceeds and other corporate revenues for the category of projects
25 described by Section 501.1031. The resolution must be passed by
26 majority vote of all members of the municipality's governing body
27 and entered in its minutes.

1 (c) The governing body of a Type B economic development
2 corporation's authorizing municipality shall order an election on
3 the question described by Subsection (b) on receipt of a petition
4 requesting the election that is signed by a number of registered
5 voters of the municipality equal to at least 10 percent of the
6 number of voters participating in the last general election held in
7 the municipality.

8 (d) An election under this section must be held on the first
9 authorized uniform election date prescribed by Chapter 41, Election
10 Code, that occurs after the date the election is ordered and that
11 allows sufficient time to comply with other requirements of law.

12 (e) The ballot in an election under this section shall be
13 printed to provide for voting for or against the proposition:
14 "Allowing the use of Type B economic development corporation sales
15 tax funds and other corporate revenues for streets and roads, water
16 supply facilities, or sewage facilities in the City of _____."

17 SECTION 6. This Act takes effect immediately if it receives
18 a vote of two-thirds of all the members elected to each house, as
19 provided by Section 39, Article III, Texas Constitution. If this
20 Act does not receive the vote necessary for immediate effect, this
21 Act takes effect September 1, 2015.