

By: Isaac

H.B. No. 2259

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the Driftwood Economic Development Municipal  
3 Management District; removing conditions to imposing a tax on  
4 residential property; providing authority to issue bonds.

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

6 SECTION 1. Section 3858.052, Special District Local Laws  
7 Code, is amended to read as follows:

8 Sec. 3858.052. APPOINTMENT OF DIRECTORS. The board  
9 consists of the following directors:

10 (1) Position 1: a person appointed by the  
11 commissioners court;

12 (2) Position 2: a person appointed by the  
13 commissioners court;

14 (3) Position 3: a person appointed by the city  
15 council;

16 (4) Position 4: a person appointed by the city  
17 council; and

18 (5) Position 5: a person appointed by the  
19 commissioners court, who must be the individual, the designee of  
20 the individual, or the designee of the entity that [who] owns more  
21 property in the district than any other individual or entity,  
22 except that if the commissioners court is unable to identify a  
23 qualified person [qualified for Position 5] who is willing and able  
24 to serve, the commissioners court shall appoint to the place a

1 person who is:

2 (A) at least 18 years old; and

3 (B) a resident of this state.

4 SECTION 2. Subchapter B, Chapter 3858, Special District  
5 Local Laws Code, is amended by adding Section 3858.057 to read as  
6 follows:

7 Sec. 3858.057. QUALIFICATIONS OF DIRECTORS; PARTICIPATION  
8 IN VOTING. (a) Sections 375.063 and 375.072, Local Government  
9 Code, do not apply to a director.

10 (b) An official or employee of a public entity may serve on  
11 the board. The common law doctrine of incompatibility does not  
12 disqualify an official or employee of a public entity from serving  
13 as a director.

14 (c) A person appointed to serve on the board under this  
15 chapter is qualified to serve as a director and participate in all  
16 votes pertaining to the business of the district regardless of any  
17 other statutory provision to the contrary.

18 (d) A director may participate in discussion and vote on an  
19 action even if:

20 (1) the director has a beneficial interest in a  
21 business entity that will receive a pecuniary benefit from the  
22 action; or

23 (2) the director is an official or employee of a public  
24 entity and the action relates to assessments on or contracts with  
25 the public entity.

26 SECTION 3. Section 3858.102(a), Special District Local Laws  
27 Code, is amended to read as follows:

1 (a) The district may provide, or it may enter into contracts  
2 with a governmental or private entity to provide, the following  
3 types of improvement projects or services or activities in support  
4 of or incidental to those projects or services:

5 (1) the planning, design, construction, improvement,  
6 operation, and maintenance of:

7 (A) irrigation facilities and landscaping;

8 (B) highway right-of-way or transit corridor  
9 beautification and improvement;

10 (C) lighting, banners, and signs;

11 (D) a street or sidewalk;

12 (E) a hiking or cycling path or trail;

13 (F) a park, lake, garden, recreational facility,  
14 sports facility, open space, scenic area, animal habitat, or  
15 related exhibit or preserve;

16 (G) a fountain, plaza, or pedestrian mall;

17 (H) a drainage or storm-water detention  
18 improvement;

19 (I) a wastewater treatment and disposal  
20 facility;

21 (J) water, wastewater, or drainage facilities or  
22 services;

23 (K) a water quality protection facility;

24 (L) [~~(K)~~] a facility to enhance groundwater  
25 recharge, including a rainwater collection and harvesting system;

26 (M) [~~(L)~~] an alternative energy facility; or

27 (N) [~~(M)~~] solid waste management services,

1 including garbage collection, recycling, and composting;

2 (2) the planning, design, construction, acquisition,  
3 lease, rental, improvement, maintenance, installation, and  
4 management of and provision of furnishings for a facility for:

5 (A) a conference, convention, or exhibition;

6 (B) a manufacturer, consumer, or trade show;

7 (C) a civic, community, or institutional event;

8 or

9 (D) an exhibit, display, attraction, special  
10 event, or seasonal or cultural celebration or holiday; or

11 (3) a special or supplemental service for the  
12 improvement and promotion of the district or for the protection of  
13 public health and safety in the district, including:

14 (A) advertising;

15 (B) promotion;

16 (C) tourism;

17 (D) health and sanitation;

18 (E) public safety;

19 (F) security;

20 (G) fire protection or emergency medical  
21 services;

22 (H) business recruitment;

23 (I) development;

24 (J) elimination of traffic congestion;

25 (K) recreational, educational, or cultural  
26 improvements, enhancements, and services; [~~or~~]

27 (L) water, wastewater, or drainage facilities or

1 services; or

2 (M) any similar public improvement, facility, or  
3 service.

4 SECTION 4. Subchapter C, Chapter 3858, Special District  
5 Local Laws Code, is amended by adding Section 3858.1025 to read as  
6 follows:

7 Sec. 3858.1025. ECONOMIC DEVELOPMENT. (a) The district may  
8 engage in activities that accomplish the economic development  
9 purposes of the district.

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

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

15 (2) provide district personnel and services.

16 (c) The district may create economic development programs  
17 and exercise the economic development powers that Chapter 380,  
18 Local Government Code, provides to a municipality.

19 SECTION 5. Section 3858.104(a), Special District Local Laws  
20 Code, is amended to read as follows:

21 (a) The district may adopt and enforce rules:

22 (1) to administer or operate the district or any  
23 service provided by the district;

24 (2) for the use, enjoyment, availability, protection,  
25 security, and maintenance of the district's property and  
26 facilities; or

27 (3) to provide for public safety and security in the

1 district.

2 SECTION 6. Subchapter D, Chapter 3858, Special District  
3 Local Laws Code, is amended by adding Section 3858.1521 to read as  
4 follows:

5 Sec. 3858.1521. BONDS AND OTHER OBLIGATIONS. (a) The  
6 district may issue bonds, notes, or other obligations payable  
7 wholly or partly from ad valorem taxes, assessments, impact fees,  
8 revenue, contract payments, grants, or other district money for any  
9 purpose authorized by this chapter.

10 (b) Notwithstanding Subsection (a), ad valorem taxes may be  
11 pledged only to pay bonds, notes, or other obligations that are  
12 issued by the district for purposes authorized under Sections 52  
13 and 52-a, Article III, or Section 59, Article XVI, Texas  
14 Constitution.

15 SECTION 7. Section 3858.152, Special District Local Laws  
16 Code, is repealed.

17 SECTION 8. (a) Section 3858.153(c), Special District Local  
18 Laws Code, is repealed.

19 (b) This section takes effect January 1, 2016.

20 SECTION 9. The repeal by this Act of Section 3858.153(c),  
21 Special District Local Laws Code, applies only to ad valorem taxes  
22 that are imposed for an ad valorem tax year that begins on or after  
23 January 1, 2016.

24 SECTION 10. (a) The legal notice of the intention to  
25 introduce this Act, setting forth the general substance of this  
26 Act, has been published as provided by law, and the notice and a  
27 copy of this Act have been furnished to all persons, agencies,

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

4 (b) The governor has submitted the notice and Act to the  
5 Texas Commission on Environmental Quality.

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

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

14 SECTION 11. Except as otherwise provided by this Act, this  
15 Act takes effect September 1, 2015.