

By: Paul

H.B. No. 3097

A BILL TO BE ENTITLED

AN ACT

relating to the governance and operation of municipal management districts.

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

SECTION 1. Section 375.022(b), Local Government Code, is amended to read as follows:

(b) The petition must be signed by

~~(1)~~ the owners of a majority of the assessed value of the real property in the proposed district, according to the most recent certified county property tax rolls

~~or~~
~~(2) 50 persons who own real property in the proposed district if, according to the most recent certified county property tax rolls, more than 50 persons own real property in the proposed district].~~

SECTION 2. Section 375.063, Local Government Code, is amended to read as follows:

Sec. 375.063. QUALIFICATIONS OF DIRECTOR. To be qualified to serve as a director, a person must be at least 18 years old and:

~~(1) [a resident of the district,~~

~~(2)]~~ an owner of property in the district;

(2) ~~(3)]~~ an owner of stock, whether beneficial or otherwise, of a corporate owner of property in the district; or

(3) ~~(4)]~~ an owner of a beneficial interest in a trust that owns property in the district

1 ~~[(5) an agent, employee, or tenant of a person covered~~
2 ~~by Subdivision (2), (3), or (4)].~~

3 SECTION 3. The heading to Section 375.064, Local Government
4 Code, is amended to read as follows:

5 Sec. 375.064. APPOINTMENT OF DIRECTORS [~~RECOMMENDATIONS~~
6 ~~FOR SUCCEEDING BOARD~~].

7 SECTION 4. Section 375.064(a), Local Government Code, is
8 amended to read as follows:

9 (a) Except as provided by Section 375.026, the governing
10 body of the municipality shall appoint directors from persons
11 recommended by the owners of a majority of the assessed value of
12 property in the district [~~The initial and each succeeding board of~~
13 ~~directors shall recommend to the governing body of the municipality~~
14 ~~persons to serve on the succeeding board~~].

15 SECTION 5. Section 375.092(f), Local Government Code, is
16 amended to read as follows:

17 (f) A district may acquire, construct, complete, develop,
18 own, operate, and maintain permanent improvements and provide
19 services only inside [~~and outside~~] its boundaries.

20 SECTION 6. Section 375.111, Local Government Code, is
21 amended to read as follows:

22 Sec. 375.111. GENERAL POWERS RELATING TO ASSESSMENTS. In
23 addition to the powers provided by Subchapter E, the board of a
24 district may undertake improvement projects and services that
25 confer a special benefit on all or a definable part of the district.
26 The board may levy and collect special assessments on property in
27 that area, based on the benefit conferred by the improvement

1 project or services, to pay all or part of the cost of the project
2 and services. The [~~If the board determines that there is a benefit~~
3 ~~to the district, the~~] district may not provide improvements and
4 services to an area outside the boundaries of the district.

5 SECTION 7. Section 375.114, Local Government Code, is
6 amended to read as follows:

7 Sec. 375.114. PETITION REQUIRED. The board may not finance
8 services and improvement projects under this chapter unless a
9 written petition has been filed with the board requesting those
10 improvements or services signed by[+]

11 [~~(1)~~] the owners of a majority [~~50 percent or more~~] of
12 the assessed value of the property in the district subject to
13 assessment, according to the most recent certified county property
14 tax rolls[+ ~~or~~

15 [~~(2) the owners of 50 percent or more of the surface~~
16 ~~area of the district, excluding roads, streets, highways, and~~
17 ~~utility rights-of-way, other public areas, and any other property~~
18 ~~exempt from assessment under Section 375.162 or 375.163, according~~
19 ~~to the most recent certified county property tax rolls].~~

20 SECTION 8. Section 375.208, Local Government Code, is
21 amended to read as follows:

22 Sec. 375.208. COMMISSION APPROVAL. A district must obtain
23 approval of the commission as provided by Chapter 54, Water Code, if
24 it issues bonds to provide water, sewage, or drainage facilities.
25 Except as expressly provided by this section and Section [~~Sections~~
26 375.062 [~~and 375.064~~], a district is not subject to the
27 jurisdiction of the commission.

1 SECTION 9. Section 375.243, Local Government Code, is
2 amended to read as follows:

3 Sec. 375.243. PETITION REQUIRED FOR BOND ELECTION. The
4 board may not call a bond election unless a written petition has
5 been filed with the board requesting an election signed by the
6 owners of a majority[+

7 [~~(1) 50 percent or more~~] of the assessed value of the
8 property in the district as determined from the most recent
9 certified county property tax rolls[~~, or~~

10 [~~(2) 50 percent or more of the surface area of the~~
11 ~~district, excluding roads, streets, highways, utility~~
12 ~~rights-of-way, other public areas, and other property exempt from~~
13 ~~assessment under Sections 375.161, 375.163, and 375.164 as~~
14 ~~determined from the most recent certified county property tax~~
15 ~~rolls].~~

16 SECTION 10. Section 375.262, Local Government Code, is
17 amended to read as follows:

18 Sec. 375.262. DISSOLUTION BY PETITION BY OWNERS. Except as
19 limited by Section 375.264, the board shall dissolve the district
20 on written petition filed with the board by the owners of a
21 majority[+

22 [~~(1) 75 percent or more~~] of the assessed value of the
23 property in the district based on the most recent certified county
24 property tax rolls[~~, or~~

25 [~~(2) 75 percent or more of the surface area of the~~
26 ~~district, excluding roads, streets, highways, utility~~
27 ~~rights-of-way, other public areas, and other property exempt from~~

1 ~~assessment under Sections 375.161, 375.163, and 375.164, according~~
2 ~~to the most recent certified county property tax rolls].~~

3 SECTION 11. Section 382.052(b), Local Government Code, is
4 amended to read as follows:

5 (b) If the population of the district is more than 1,000, to
6 be eligible to serve as a director, a person must be at least 18
7 years old, reside in the district, and be:

8 (1) an owner of property in the district;

9 (2) an owner of stock, whether beneficial or
10 otherwise, of a corporate owner of property in the district;

11 (3) an owner of a beneficial interest in a trust that
12 owns property in the district; or

13 (4) an agent, employee, or tenant of a person covered
14 by Subdivision (1), (2), or (3) [~~meet the qualifications of Section~~
15 375.063].

16 SECTION 12. Section 3855.052(b), Special District Local
17 Laws Code, is amended to read as follows:

18 (b) Section 375.063(2) [~~375.063(3)~~], Local Government Code,
19 does not apply to the district.

20 SECTION 13. Sections 375.064(b), (c), and (e), Local
21 Government Code, are repealed.

22 SECTION 14. (a) The change in law made by this Act to
23 Section 375.063, Local Government Code, does not affect the
24 entitlement of a member serving on the board of directors of a
25 district to which that section applies immediately before the
26 effective date of this Act to continue to carry out the board's
27 functions for the remainder of the member's term. The change in law

1 applies only to a member appointed on or after the effective date of
2 this Act.

3 (b) The changes in law made by this Act to Sections
4 375.092(f) and 375.111, Local Government Code, do not affect the
5 terms of a contract entered into before the effective date of this
6 Act, except that if the contract is renewed, modified, or extended
7 on or after the effective date of this Act, those sections apply to
8 the contract beginning on the date of renewal, modification, or
9 extension.

10 SECTION 15. This Act takes effect September 1, 2015.