

1-1 By: Farney (Senate Sponsor - Schwertner) H.B. No. 3186
 1-2 (In the Senate - Received from the House May 13, 2015;
 1-3 May 14, 2015, read first time and referred to Committee on
 1-4 Intergovernmental Relations; May 25, 2015, reported favorably by
 1-5 the following vote: Yeas 5, Nays 0; May 25, 2015, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9			X	
1-10	X			
1-11	X			
1-12	X			
1-13			X	
1-14	X			

1-15 A BILL TO BE ENTITLED
 1-16 AN ACT

1-17 relating to the qualifications of directors and the use of project
 1-18 funds of certain municipal development districts.

1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-20 SECTION 1. Section 377.051, Local Government Code, is
 1-21 amended by adding Subsection (e) to read as follows:

1-22 (e) Notwithstanding Subsection (d), a person may qualify to
 1-23 serve as a director of a district that is located in a municipality
 1-24 with a population of more than 5,000 and less than 6,000 and that is
 1-25 located wholly in a county with a population of more than 20,000 and
 1-26 less than 25,000 and that borders the Brazos River if the person
 1-27 resides in the independent school district that serves the majority
 1-28 of the district.

1-29 SECTION 2. Section 377.072, Local Government Code, is
 1-30 amended by amending Subsection (c) and adding Subsection (e) to
 1-31 read as follows:

1-32 (c) Except as provided by Subsections [Subsection] (d) and
 1-33 (e), the district may use money in the development project fund only
 1-34 to:

1-35 (1) pay the costs of planning, acquiring,
 1-36 establishing, developing, constructing, or renovating one or more
 1-37 development projects in the district;

1-38 (2) pay the principal of, interest on, and other costs
 1-39 relating to bonds or other obligations issued by the district or to
 1-40 refund bonds or other obligations; or

1-41 (3) pay the costs of operating or maintaining one or
 1-42 more development projects during the planning, acquisition,
 1-43 establishment, development, construction, or renovation or while
 1-44 bonds or other obligations for the planning, acquisition,
 1-45 establishment, development, construction, or renovation are
 1-46 outstanding.

1-47 (e) A district that is located in a municipality with a
 1-48 population of more than 5,000 and less than 6,000 and that is
 1-49 located wholly in a county with a population of more than 20,000 and
 1-50 less than 25,000 and that borders the Brazos River may use money in
 1-51 the development project fund only to:

1-52 (1) pay the costs of planning, acquiring,
 1-53 establishing, developing, constructing, or renovating one or more
 1-54 development projects inside the county in which the district is
 1-55 located, if the project:

1-56 (A) accomplishes a public purpose of the
 1-57 district;

1-58 (B) allows the district to retain control over
 1-59 the money to ensure that the district's public purpose is
 1-60 accomplished and to protect the district's investment; and

1-61 (C) benefits the district;

2-1 (2) pay the principal of, interest on, and other costs
2-2 relating to bonds or other obligations issued by the district or to
2-3 refund bonds or other obligations; or

2-4 (3) pay the costs of operating or maintaining one or
2-5 more development projects during the planning, acquisition,
2-6 establishment, development, construction, or renovation or while
2-7 bonds or other obligations for the planning, acquisition,
2-8 establishment, development, construction, or renovation are
2-9 outstanding.

2-10 SECTION 3. This Act takes effect immediately if it receives
2-11 a vote of two-thirds of all the members elected to each house, as
2-12 provided by Section 39, Article III, Texas Constitution. If this
2-13 Act does not receive the vote necessary for immediate effect, this
2-14 Act takes effect September 1, 2015.

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