

By: Creighton

S.B. No. 1014

A BILL TO BE ENTITLED

AN ACT

relating to The Woodlands Township.

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

SECTION 1. Section 8(e), Chapter 289, Acts of the 73rd Legislature, Regular Session, 1993, is amended to read as follows:

(e) A vacancy in the office of director shall be filled by appointment of a qualified individual by a majority vote of the remaining directors~~[, except that if the number of directors for any reason is less than four, on petition of a resident of or owner of real property in the district, the commission shall appoint the required number of qualified individuals to fill the vacancies]~~.

SECTION 2. Section 11C(p), Chapter 289, Acts of the 73rd Legislature, Regular Session, 1993, is amended to read as follows:

(p) Sections 311.002 and 311.014 through 311.017, Tax Code, apply to the district, except that for purposes of this subsection:

(1) a reference in those sections to a municipality means the district and the development zone;

(2) a reference in those sections to an ordinance means an order;

(3) a reference in those sections to a reinvestment zone means a development zone;

(4) a reference in those sections to an agreement made under Subsection (b), Section 311.010, Tax Code, means an agreement made under Subsection (1) of this section;

1 (5) "development" means initial development;

2 (6) "redevelopment" means substantial redevelopment;

3 (7) Section 311.016, Tax Code, applies only if ad  
4 valorem taxes are used, in whole or in part, in payment of project  
5 costs of a development zone; and

6 (8) a development zone created without a duration or  
7 date of termination may be dissolved by a two-thirds vote of the  
8 board of directors of the district or of the governing body of a  
9 municipality or other form of local government, other than the  
10 development zone, succeeding to the principal assets, powers,  
11 functions, and liabilities of the district, but only if:

12 (A) the development zone has no outstanding  
13 indebtedness or other obligations; or

14 (B) the assets, powers, functions, and  
15 liabilities, and any outstanding indebtedness or obligations, of  
16 the development zone are expressly assumed by the district or the  
17 succeeding municipality or local government.

18 SECTION 3. Chapter 289, Acts of the 73rd Legislature,  
19 Regular Session, 1993, is amended by adding Section 14A to read as  
20 follows:

21 Sec. 14A. INCORPORATION. (a) This section prevails over  
22 any other provision of this Act that conflicts with or is  
23 inconsistent with this section.

24 (b) Except as provided by Subsections (c) and (f) of this  
25 section, and subject to any applicable limitations of the  
26 constitution of this state, if the incorporation of at least 99  
27 percent of the territory of the district and the transfer of the

1 rights, powers, privileges, duties, purposes, functions, and  
2 responsibilities of the district and the district's authority to  
3 issue bonds and impose a tax to the municipality are approved by a  
4 majority of the voters voting in an election held for that purpose,  
5 including an election described by Section 9(h)(2) of this Act:

6       (1) the assets, liabilities, obligations, rights,  
7 powers, privileges, duties, purposes, functions, and  
8 responsibilities of the district and the district's authority to  
9 issue bonds and impose a tax are transferred to the municipality;  
10 and

11       (2) the district is dissolved.

12       (c) If on the date the incorporation of the territory of the  
13 district is approved at an election described by Subsection (b) of  
14 this section the district owes any debt that cannot be transferred  
15 to the municipality, the district is continued until the debt is  
16 retired or is restructured in a manner that the debt may be  
17 transferred to the municipality.

18       (d) If the conditions described by Subsection (c) of this  
19 section are met:

20       (1) the board shall adopt an order certifying that the  
21 conditions have been met; and

22       (2) on the effective date of the order:

23               (A) the assets, liabilities, obligations,  
24 rights, powers, privileges, duties, purposes, functions, and  
25 responsibilities of the district and the district's authority to  
26 issue bonds and impose a tax are transferred to the municipality;  
27 and

1           (B) the district is dissolved.

2           (e) In addition to any other restructuring methods  
3 permitted by law, the district may restructure its outstanding debt  
4 for the purpose of transferring the debt to the municipality by  
5 issuing refunding bonds secured by:

6           (1) a limited pledge of ad valorem tax revenue not  
7 greater than that authorized to be levied by the municipality;

8           (2) a pledge of one or more other sources of revenue  
9 available to the district that are also available to the  
10 municipality under this section or general law; or

11           (3) a pledge of a combination of revenues described by  
12 Subdivisions (1) and (2) of this subsection.

13           (f) The transfer of assets, liabilities, obligations,  
14 rights, powers, privileges, duties, purposes, functions, and  
15 responsibilities of the district and the district's authority to  
16 issue bonds and impose a tax to the municipality under this section  
17 is effective regardless of whether the boundaries of the  
18 municipality are coterminous with the boundaries of the district,  
19 unless the transfer would materially impair the security for a debt  
20 transferred to the municipality. If the transfer would materially  
21 impair the security for a debt transferred to the municipality, the  
22 debt must be restructured in the manner provided by this section  
23 before the transfer may occur.

24           SECTION 4. Subtitle X, Title 6, Special District Local Laws  
25 Code, is amended by adding Chapter 11011 to read as follows:

26           CHAPTER 11011. THE WOODLANDS TOWNSHIP

27           Sec. 11011.001. DEFINITION. In this chapter, "district"

1 means The Woodlands Township.

2 Sec. 11011.002. LAW GOVERNING DISTRICT. The district is  
3 governed by this chapter and Chapter 289, Acts of the 73rd  
4 Legislature, Regular Session, 1993.

5 Sec. 11011.003. DISSOLUTION OF DISTRICT. (a) If at least  
6 99 percent of the territory of the district is incorporated and the  
7 district is dissolved in the manner provided by Section 14A,  
8 Chapter 289, Acts of the 73rd Legislature, Regular Session, 1993,  
9 only the following sections of Chapter 289, Acts of the 73rd  
10 Legislature, Regular Session, 1993, apply to the municipality in  
11 addition to any applicable general law provisions, a reference in  
12 those sections to the district means the municipality, and a  
13 reference in those sections to the board or board of directors means  
14 the governing body of the municipality:

15 (1) Sections 6(a) and (c);

16 (2) Sections 7(a), (b), (c), (e), (f), (g), (h), (i),  
17 (j), (l), (n), (o), (p), (q), (r), (t), (u), (v), (w), (y), (z), and  
18 (aa);

19 (3) Section 7H;

20 (4) Sections 9(h)(3), (4), and (5);

21 (5) Section 11;

22 (6) Section 11A;

23 (7) Section 11B;

24 (8) Section 11B-1;

25 (9) Section 11C;

26 (10) Sections 12A(a), (c), (d), (e), and (f); and

27 (11) Section 13.

1        (b) The remaining provisions of Chapter 289, Acts of the  
2 73rd Legislature, Regular Session, 1993, do not apply to the  
3 municipality after the dissolution of the district.

4        SECTION 5. (a) The legal notice of the intention to  
5 introduce this Act, setting forth the general substance of this  
6 Act, has been published as provided by law, and the notice and a  
7 copy of this Act have been furnished to all persons, agencies,  
8 officials, or entities to which they are required to be furnished  
9 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
10 Government Code.

11        (b) The governor, one of the required recipients, has  
12 submitted the notice and Act to the Texas Commission on  
13 Environmental Quality.

14        (c) The Texas Commission on Environmental Quality has filed  
15 its recommendations relating to this Act with the governor,  
16 lieutenant governor, and speaker of the house of representatives  
17 within the required time.

18        (d) The general law relating to consent by political  
19 subdivisions to the creation of districts with conservation,  
20 reclamation, and road powers and the inclusion of land in those  
21 districts has been complied with.

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

26        SECTION 6. This Act takes effect immediately if it receives  
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2017.