

By: Lucio

S.B. No. 1863

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

~~the~~ owners of a majority of the assessed value of the real property in the proposed district that would be subject to assessment by the 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;

(3) ~~(4)]~~ an owner of a beneficial interest in a trust

1 that owns property in the district; or

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

4 SECTION 3. Sections 375.064(a), (b), and (c), Local
5 Government Code, are amended to read as follows:

6 (a) The initial and each succeeding board of directors
7 shall, and the owners of a majority of the assessed value of
8 property subject to assessment by the district may, recommend to
9 the governing body of the municipality persons to serve on the
10 succeeding board.

11 (b) After reviewing the recommendations, the governing body
12 shall approve or disapprove the directors recommended under
13 Subsection (a) [~~by the board~~].

14 (c) If the governing body is not satisfied with the
15 recommendations submitted under Subsection (a) [~~by the board~~], the
16 board, on the request of the governing body, shall submit to the
17 governing body additional recommendations.

18 SECTION 4. Section 375.092(f), Local Government Code, is
19 amended to read as follows:

20 (f) A district may acquire, construct, complete, develop,
21 own, operate, and maintain permanent improvements and provide
22 services that benefit property in the district, regardless of
23 whether the improvements or services are located inside or [~~and~~]
24 outside its boundaries.

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

27 Sec. 375.114. PETITION REQUIRED. The board may not finance

1 services and improvement projects under this chapter unless a
2 written petition has been filed with the board requesting those
3 improvements or services signed by:

4 (1) the owners of a majority [~~50 percent or more~~] of
5 the assessed value of the property in the district subject to
6 assessment, according to the most recent certified county property
7 tax rolls; or

8 (2) for a proposed assessment to be apportioned under
9 Section 375.119(1), the owners of a majority [~~50 percent or more~~]
10 of the surface area of the real property subject to assessment by
11 the district, [~~excluding roads, streets, highways, and utility~~
12 ~~rights-of-way, other public areas, and any other property exempt~~
13 ~~from assessment under Section 375.162 or 375.163,~~] according to the
14 most recent certified county property tax rolls.

15 SECTION 6. Section 375.243, Local Government Code, is
16 amended to read as follows:

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

21 [~~(1) 50 percent or more~~] of the assessed value of the
22 property subject to assessment or taxation by [~~in~~] the district as
23 determined from the most recent certified county property tax
24 rolls[~~, or~~

25 [~~(2) 50 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 as~~
2 ~~determined from the most recent certified county property tax~~
3 ~~rolls].~~

4 SECTION 7. Section 375.262, Local Government Code, is
5 amended to read as follows:

6 Sec. 375.262. DISSOLUTION BY PETITION BY OWNERS. Except as
7 limited by Section 375.264, the board shall dissolve the district
8 on written petition filed with the board by the owners of at least
9 two-thirds [~~+~~

10 [~~(1) 75 percent or more~~] of the assessed value of the
11 property subject to assessment or taxation by [~~in~~] the district
12 based on the most recent certified county property tax rolls[~~, or~~

13 [~~(2) 75 percent or more of the surface area of the~~
14 ~~district, excluding roads, streets, highways, utility~~
15 ~~rights-of-way, other public areas, and other property exempt from~~
16 ~~assessment under Sections 375.161, 375.163, and 375.164, according~~
17 ~~to the most recent certified county property tax rolls].~~

18 SECTION 8. Section 382.052(b), Local Government Code, is
19 amended to read as follows:

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

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

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

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

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

4 SECTION 9. Section 3855.052(b), Special District Local Laws
5 Code, is amended to read as follows:

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

8 SECTION 10. The change in law made by this Act to Section
9 375.063, Local Government Code, does not affect the entitlement of
10 a member serving on the board of directors of a district to which
11 that section applies immediately before the effective date of this
12 Act to continue to carry out the board's functions for the remainder
13 of the member's term. The change in law applies only to a member
14 appointed on or after the effective date of this Act.

15 SECTION 11. This Act takes effect September 1, 2017.