

Amend **HB 4706** (senate committee printing) in SECTION 1 of the bill as follows:

(1) Strike added Section 3986.0203(a), Special District Local Laws Code (page 3, lines 12-19), and substitute the following:

(a) The initial board consists of the following directors:

Pos. No. Name of Director

1 John Peavy

2 Charles Taylor

3 Steve Cook

4 Paul Schlosberg

5 Russell Miller

(2) In added Subchapter C, Chapter 3986, Special District Local Laws Code, strike added Section 3986.0311 (page 5, lines 4 and 5) and substitute the following:

Sec. 3986.0311. RESIDENTIAL PROPERTY NOT EXEMPT FROM CERTAIN REQUIREMENTS. Sections 375.161 and 375.164, Local Government Code, do not apply to the district.

Sec. 3986.0312. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(3) In added Section 3986.0402, Special District Local Laws Code (page 5, line 17), strike "Section 3986.0503(c)" and substitute "Section 3986.0504(b)".

(4) In added Subchapter E, Chapter 3986, Special District Local Laws Code, strike added Sections 3986.0502 and 3986.0503 (page 5, line 46, through page 6, line 8) and substitute the following:

Sec. 3986.0502. TAX LIMITATION. An ad valorem tax imposed by the district may be used only for a purpose authorized under:

(1) Chapter 49 or 54, Water Code;

(2) Section 52, Article III, Texas Constitution; or

(3) Section 59, Article XVI, Texas Constitution.

Sec. 3986.0503. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election under Section 3986.0501, the district may impose an operation and maintenance tax on taxable property in the district in the manner provided by Section 49.107, Water Code.

(b) The board shall determine the operation and maintenance tax rate. The rate may not exceed the rate approved at the election.

Sec. 3986.0504. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may issue bonds, notes, or other obligations payable wholly or partly from:

(1) impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose;

(2) ad valorem taxes for a purpose authorized under Section 3986.0502; and

(3) assessments only to finance a major public infrastructure improvement project that serves a majority of the district.

(c) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from assessments in the manner provided by Subchapter A, Chapter 372, Local Government Code, if the improvement financed by an obligation issued under this section will be conveyed to or operated and maintained by a municipality or other retail utility provider pursuant to an agreement with the district entered into before the issuance of the obligation.

(5) In added Subchapter E, Chapter 3986, Special District Local Laws Code (page 6, line 9), strike "3986.0504" and substitute "3986.0505".

(6) In added Subchapter E, Chapter 3986, Special District Local Laws Code (page 6, line 16), strike "3986.0505" and substitute "3986.0506".

(7) In added Subchapter E, Chapter 3986, Special District Local Laws Code (page 6, line 30), strike "3986.0506" and substitute "3986.0507".

(8) In added Section 3986.0901, Special District Local Laws Code (page 6, line 64), strike "(d)" and substitute "(c)".