

Amend CSSB 390 (house committee report) as follows:

(1) On page 4, line 4, strike "or tax".

(2) On page 4, between lines 20 and 21, insert the following:

Sec. 3961.0109. CONFIRMATION ELECTION. (a) Before issuing any bonds or other obligations, imposing any assessments, or recommending persons for appointment as succeeding directors, the initial directors shall hold an election in the boundaries of the district on a uniform election date provided by Section 41.001, Election Code, to determine if the district shall be created.

(b) Notice of a confirmation election shall state the day and place or places for holding the election and the propositions to be voted on.

(c) The ballots for a confirmation election shall be printed to provide for voting "For District" and "Against District."

(d) Immediately after the confirmation election, the presiding judge shall take returns of the results to the initial board. The initial board shall canvass the returns and issue an order declaring the results at the earliest practicable time. The order must include a description of the district's boundaries.

(e) If a majority of the votes cast in the election favor the creation of the district, the initial board shall issue an order declaring that the district is created and enter the result in its minutes. If a majority of the votes cast in the election are against the creation of the district, the initial board shall issue an order declaring that the district was defeated and enter the result in its minutes.

(f) A copy of each order issued under this section must be filed:

(1) in the deed records of the county or counties in which the district is located; and

(2) with the Texas Commission on Environmental Quality.

(3) On page 7, strike added Section 3961.0304, Special District Local Laws Code (lines 21 through 26), and renumber added Sections 3961.0305 through 3961.0310, Special District Local Laws Code, accordingly.

(4) On page 9, between lines 23 and 24, insert the following:

Sec. 3961.0310. NO AD VALOREM TAX. The district may not impose an ad valorem tax.

(5) On page 10, lines 18 and 19, strike "an ad valorem tax or sales and use tax or".

(6) On page 10, between lines 21 and 22, insert the following:

Sec. 3961.0404. BONDS AND OTHER OBLIGATIONS. (a) 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, or Subchapter J, Chapter 375, Local Government Code.

(b) In exercising the district's borrowing power, the district may issue a bond or other obligation in the form of a bond, note, certificate of participation or other instrument evidencing a proportionate interest in payments to be made by the district, or other type of obligation.

(c) In addition to the sources of money described by Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local Government Code, district bonds may be secured and made payable wholly or partly by a pledge of any part of the money the district receives from improvement revenue or from any other source.

Sec. 3961.0405. BOND MATURITY. Bonds may mature not more than 40 years from their date of issue.

(7) On page 10, line 22, strike "3961.0404" and substitute "3961.0406".

(8) On page 11, strike added Section 3961.0405, Special District Local Laws Code (lines 4 through 6), and renumber added Sections 3961.0406 and 3961.0407, Special District Local Laws Code, accordingly.

(9) On page 13, lines 4 and 5, strike "the board" and substitute "a taxing unit, as that term is defined by Section 1.04, Tax Code,".

(10) Strike page 13, line 14 through page 16, line 9.

(11) On page 16, line 10, strike "SUBCHAPTER G" and

substitute "SUBCHAPTER I".

(12) On page 16, line 11, strike "3961.0701" and substitute "3961.0901".

(13) On page 16, lines 16 and 17, strike "that are payable from ad valorem taxes".

(14) On page 16, between lines 19 and 20, insert the following:

(c) Section 375.263, Local Government Code, does not apply to the district.

(15) On page 16, line 20, strike "3961.0702" and substitute "3961.0902".

(16) On page 16, line 23, strike "other than ad valorem taxes,".

(17) On page 17, line 8, strike "3961.0703" and substitute "3961.0903".

(18) On page 17, between lines 15 and 16, insert the following:

Sec. 3961.0904. DISSOLUTION BY PETITION. (a) Except as limited by Section 375.264, Local Government Code, the board shall dissolve the district on written petition filed with the board by the owners of:

(1) 66 percent or more of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or

(2) 66 percent or more of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.

(b) Section 375.262, Local Government Code, does not apply to the district.