H.B. No. 1136

AN ACT

relating to territory included in a common characteristic or use project in a public improvement district established by a municipality.

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

SECTION 1.  The heading to Section 372.0035, Local Government Code, is amended to read as follows:

Sec. 372.0035.  COMMON CHARACTERISTIC OR USE FOR PROJECTS IN [~~CERTAIN~~] MUNICIPALITIES.

SECTION 2.  Section 372.0035, Local Government Code, is amended by amending Subsection (a) and adding Subsection (e) to read as follows:

(a)  This section applies only to[~~:~~

[~~(1)  a municipality that:~~

[~~(A)  has a population of more than 650,000 and less than two million; or~~

[~~(B)  has a population of more than 325,000 and less than 625,000; and~~

[~~(2)~~]  a public improvement district established by a municipality under this subchapter and solely composed of territory in which the only businesses are one or more[~~:~~

[~~(A)~~]  hotels [~~with 100 or more rooms ordinarily used for sleeping, if the district is established by a municipality described by Subdivision (1)(A); or~~

[~~(B)  hotels with 75 or more rooms ordinarily used for sleeping, if the district is established by a municipality described by Subdivision (1)(B)~~].

(e)  A district created after September 1, 2019, may undertake a project under this section only for advertising, promotion, or business recruitment, as authorized by Section 372.003(b)(13), directly related to hotels.

SECTION 3.  Section 372.005(b-1), Local Government Code, is amended to read as follows:

(b-1)  Notwithstanding Subsection (b), a petition for the establishment of a public improvement district described by Section 372.0035(a) [~~372.0035(a)(2)~~] is sufficient only if signed by record owners of taxable real property liable for assessment under the proposal who constitute:

(1)  more than 60 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and

(2)  more than 60 percent of:

(A)  all record owners of taxable real property that are liable for assessment under the proposal; or

(B)  the area of all taxable real property that is liable for assessment under the proposal.

SECTION 4.  Subchapter A, Chapter 372, Local Government Code, is amended by adding Section 372.0121 to read as follows:

Sec. 372.0121.  INCLUSION OF AREA IN COMMON CHARACTERISTIC PUBLIC IMPROVEMENT DISTRICT. Notwithstanding Section 372.012 or any other requirement in this chapter, the governing body of a municipality may include property in a public improvement district described by Section 372.0035 if:

(1)  the property is a hotel; and

(2)  the property could have been included in the district without violating Section 372.005(b-1) when the district was created regardless of whether the record owners of the property signed the original petition.

SECTION 5.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

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    President of the Senate Speaker of the House

I certify that H.B. No. 1136 was passed by the House on April 9, 2019, by the following vote:  Yeas 136, Nays 7, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 1136 was passed by the Senate on May 21, 2019, by the following vote:  Yeas 28, Nays 3.

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Secretary of the Senate

APPROVED:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

                    Date

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                  Governor