

By: Price, Clardy, Krause, King of Hemphill,
Anchia, et al.

H.B. No. 1136

Substitute the following for H.B. No. 1136:

By: Button

C.S.H.B. No. 1136

A BILL TO BE ENTITLED

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~~

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

4 (e) A district created after September 1, 2019, may
5 undertake a project under this section only for advertising,
6 promotion, or business recruitment, as authorized by Section
7 372.003(b)(13), directly related to hotels.

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

10 (b-1) Notwithstanding Subsection (b), a petition for the
11 establishment of a public improvement district described by Section
12 372.0035(a) ~~[372.0035(a)(2)]~~ is sufficient only if signed by record
13 owners of taxable real property liable for assessment under the
14 proposal who constitute:

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

19 (2) more than 60 percent of:

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

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

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

26 Sec. 372.0121. INCLUSION OF AREA IN COMMON CHARACTERISTIC
27 PUBLIC IMPROVEMENT DISTRICT. Notwithstanding Section 372.012 or

1 any other requirement in this chapter, the governing body of a
2 municipality may include property in a public improvement district
3 described by Section 372.0035 if:

4 (1) the property is a hotel; and

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

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