

By: Bell of Montgomery

H.B. No. 4644

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Wood Trace Management District of Montgomery County, Texas; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3967 to read as follows:

CHAPTER 3967. WOOD TRACE MANAGEMENT DISTRICT OF MONTGOMERY COUNTY,

TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3967.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "County" means Montgomery County.

(3) "Director" means a board member.

(4) "District" means the Wood Trace Management District of Montgomery County, Texas.

Sec. 3967.0102. CREATION AND NATURE OF DISTRICT; IMMUNITY.

(a) The district is a special district created under Section 59, Article XVI, Texas Constitution.

(b) The district is a governmental unit, as provided by Section 375.004, Local Government Code.

(c) This chapter does not waive any governmental or sovereign immunity from suit, liability, or judgment that would otherwise apply to the district.

1 Sec. 3967.0103. PURPOSE; DECLARATION OF INTENT. (a) The
2 creation of the district is essential to accomplish the purposes of
3 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
4 Texas Constitution, and other public purposes stated in this
5 chapter. By creating the district, the legislature has established
6 a program to accomplish the public purposes set out in Sections 52
7 and 52-a, Article III, Texas Constitution.

8 (b) The creation of the district is necessary to promote,
9 develop, encourage, and maintain employment, commerce,
10 transportation, housing, tourism, recreation, the arts,
11 entertainment, economic development, safety, and the public
12 welfare in the district.

13 (c) This chapter and the creation of the district may not be
14 interpreted to relieve a municipality or the county from providing
15 the level of services provided as of the effective date of the Act
16 enacting this chapter to the area in the district. The district is
17 created to supplement and not to supplant governmental services
18 provided in the district.

19 Sec. 3967.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

20 (a) The district is created to serve a public use and benefit.

21 (b) All land and other property included in the district
22 will benefit from the improvements and services to be provided by
23 the district under powers conferred by Sections 52 and 52-a,
24 Article III, and Section 59, Article XVI, Texas Constitution, and
25 other powers granted under this chapter.

26 (c) The creation of the district is in the public interest
27 and is essential to further the public purposes of:

1 (1) developing and diversifying the economy of the
2 state;

3 (2) eliminating unemployment and underemployment; and

4 (3) developing or expanding transportation and
5 commerce.

6 (d) The district will:

7 (1) promote the health, safety, and general welfare of
8 residents, employers, potential employees, employees, visitors,
9 and consumers in the district, and of the public;

10 (2) provide needed funding for the district to
11 preserve, maintain, and enhance the economic health and vitality of
12 the district territory as a community and business center;

13 (3) promote the health, safety, welfare, and enjoyment
14 of the public by providing pedestrian ways, transit facilities,
15 parking facilities, and public art objects, and by landscaping and
16 developing certain areas in the district, which are necessary for
17 the restoration, preservation, and enhancement of scenic beauty;
18 and

19 (4) provide for water, wastewater, drainage, road, and
20 recreational facilities for the district.

21 (e) Pedestrian ways along or across a street, whether at
22 grade or above or below the surface, and street lighting, street
23 landscaping, parking, and street art objects are parts of and
24 necessary components of a street and are considered to be a street
25 or road improvement.

26 (f) The district will not act as the agent or
27 instrumentality of any private interest even though the district

1 will benefit many private interests as well as the public.

2 Sec. 3967.0105. DISTRICT TERRITORY. (a) The district is
3 initially composed of the territory described by Section 2 of the
4 Act enacting this chapter.

5 (b) The boundaries and field notes of the district contained
6 in Section 2 of the Act enacting this chapter form a closure. A
7 mistake in the field notes or in copying the field notes in the
8 legislative process does not affect the district's:

9 (1) organization, existence, or validity;

10 (2) right to issue any type of bonds for a purpose for
11 which the district is created or to pay the principal of and
12 interest on the bonds;

13 (3) right to impose or collect an assessment or tax; or

14 (4) legality or operation.

15 Sec. 3967.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.
16 All or any part of the area of the district is eligible to be
17 included in:

18 (1) a tax increment reinvestment zone created under
19 Chapter 311, Tax Code;

20 (2) a tax abatement reinvestment zone created under
21 Chapter 312, Tax Code;

22 (3) an enterprise zone created under Chapter 2303,
23 Government Code; or

24 (4) an industrial district created under Chapter 42,
25 Local Government Code.

26 Sec. 3967.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT
27 DISTRICTS LAW. Except as otherwise provided by this chapter,

1 Chapter 375, Local Government Code, applies to the district.

2 Sec. 3967.0108. LIBERAL CONSTRUCTION OF CHAPTER. This
3 chapter shall be liberally construed in conformity with the
4 findings and purposes stated in this chapter.

5 Sec. 3967.0109. CONFLICTS OF LAW. This chapter prevails
6 over any provision of general law, including a provision of Chapter
7 375, Local Government Code, or Chapter 49, Water Code, that is in
8 conflict or inconsistent with this chapter.

9 SUBCHAPTER B. BOARD OF DIRECTORS

10 Sec. 3967.0201. GOVERNING BODY; TERMS. (a) The district is
11 governed by a board of five directors elected or appointed as
12 provided by this chapter and Subchapter D, Chapter 49, Water Code.

13 (b) Except as provided by Section 3967.0203, directors
14 serve staggered four-year terms.

15 Sec. 3967.0202. COMPENSATION. A director is entitled to
16 receive fees of office and reimbursement for actual expenses as
17 provided by Section 49.060, Water Code. Sections 375.069 and
18 375.070, Local Government Code, do not apply to the board.

19 Sec. 3967.0203. TEMPORARY DIRECTORS. (a) On or after the
20 effective date of the Act creating this chapter, the owner or owners
21 of a majority of the assessed value of the real property in the
22 district according to the most recent certified tax appraisal roll
23 for the county may submit a petition to the Texas Commission on
24 Environmental Quality requesting that the commission appoint as
25 temporary directors the five persons named in the petition. The
26 commission shall appoint as temporary directors the five persons
27 named in the petition.

1 (b) The temporary or successor temporary directors shall
2 hold an election to elect five permanent directors as provided by
3 Section 49.102, Water Code.

4 (c) Temporary directors serve until the earlier of:

5 (1) the date permanent directors are elected under
6 Subsection (b); or

7 (2) the fourth anniversary of the effective date of
8 the Act creating this chapter.

9 (d) If permanent directors have not been elected under
10 Subsection (b) and the terms of the temporary directors have
11 expired, successor temporary directors shall be appointed or
12 reappointed as provided by Subsection (e) to serve terms that
13 expire on the earlier of:

14 (1) the date permanent directors are elected under
15 Subsection (b); or

16 (2) the fourth anniversary of the date of the
17 appointment or reappointment.

18 (e) If Subsection (d) applies, the owner or owners of a
19 majority of the assessed value of the real property in the district
20 according to the most recent certified tax appraisal roll for the
21 county may submit a petition to the Texas Commission on
22 Environmental Quality requesting that the commission appoint as
23 successor temporary directors the five persons named in the
24 petition. The commission shall appoint as successor temporary
25 directors the five persons named in the petition.

26 Sec. 3967.0204. DISQUALIFICATION OF DIRECTORS. Section
27 49.052, Water Code, applies to the members of the board.

1 SUBCHAPTER C. POWERS AND DUTIES

2 Sec. 3967.0301. GENERAL POWERS AND DUTIES. The district
3 has the powers and duties necessary to accomplish the purposes for
4 which the district is created.

5 Sec. 3967.0302. IMPROVEMENT PROJECTS AND SERVICES. (a)
6 The district may provide, design, construct, acquire, improve,
7 relocate, operate, maintain, or finance an improvement project or
8 service using money available to the district for that purpose, or
9 contract with a governmental or private entity to provide, design,
10 construct, acquire, improve, relocate, operate, maintain, or
11 finance an improvement project or service authorized under this
12 chapter or under Chapter 375, Local Government Code.

13 (b) The implementation of a district project or service is a
14 governmental function or service for the purposes of Chapter 791,
15 Government Code.

16 Sec. 3967.0303. RECREATIONAL FACILITIES. The district may
17 develop or finance recreational facilities as authorized by Chapter
18 375, Local Government Code, Sections 52 and 52-a, Article III,
19 Texas Constitution, Section 59, Article XVI, Texas Constitution,
20 and any other law that applies to the district.

21 Sec. 3967.0304. AUTHORITY FOR ROAD PROJECTS. Under Section
22 52, Article III, Texas Constitution, the district may own, operate,
23 maintain, design, acquire, construct, finance, issue bonds, notes,
24 or other obligations for, improve, and convey to this state, a
25 county, or a municipality for ownership, operation, and maintenance
26 macadamized, graveled, or paved roads or improvements, including
27 storm drainage, in aid of those roads.

1 Sec. 3967.0305. CONVEYANCE AND APPROVAL OF ROAD PROJECT.

2 (a) The district may convey a road project authorized by Section
3 3967.0304 to:

4 (1) a municipality or county that will operate and
5 maintain the road if the municipality or county has approved the
6 plans and specifications of the road project; or

7 (2) the state if the state will operate and maintain
8 the road and the Texas Transportation Commission has approved the
9 plans and specifications of the road project.

10 (b) Except as provided by Subsection (c), the district shall
11 operate and maintain a road project authorized by Section 3967.0304
12 that the district implements and does not convey to a municipality,
13 a county, or this state under Subsection (a).

14 (c) The district may agree in writing with a municipality, a
15 county, or this state to assign operation and maintenance duties to
16 the district, the municipality, the county, or this state in a
17 manner other than the manner described in Subsections (a) and (b).

18 Sec. 3967.0306. NONPROFIT CORPORATION. (a) The board by
19 resolution may authorize the creation of a nonprofit corporation to
20 assist and act for the district in implementing a project or
21 providing a service authorized by this chapter.

22 (b) The nonprofit corporation:

23 (1) has each power of and is considered to be a local
24 government corporation created under Subchapter D, Chapter 431,
25 Transportation Code; and

26 (2) may implement any project and provide any service
27 authorized by this chapter.

1 (c) The board shall appoint the board of directors of the
2 nonprofit corporation. The board of directors of the nonprofit
3 corporation shall serve in the same manner as the board of directors
4 of a local government corporation created under Subchapter D,
5 Chapter 431, Transportation Code, except that a board member is not
6 required to reside in the district.

7 Sec. 3967.0307. LAW ENFORCEMENT SERVICES. Section 49.216,
8 Water Code, applies to the district.

9 Sec. 3967.0308. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.
10 The district may join and pay dues to a charitable or nonprofit
11 organization that performs a service or provides an activity
12 consistent with the furtherance of a district purpose.

13 Sec. 3967.0309. ECONOMIC DEVELOPMENT. (a) The district
14 may engage in activities that accomplish the economic development
15 purposes of the district.

16 (b) The district may establish and provide for the
17 administration of one or more programs to promote state or local
18 economic development and to stimulate business and commercial
19 activity in the district, including programs to:

20 (1) make loans and grants of public money; and

21 (2) provide district personnel and services.

22 (c) The district may create economic development programs
23 and exercise the economic development powers that:

24 (1) Chapter 380, Local Government Code, provides to a
25 municipality; and

26 (2) Subchapter A, Chapter 1509, Government Code,
27 provides to a municipality.

1 Sec. 3967.0310. STRATEGIC PARTNERSHIP AGREEMENT. The
2 district may negotiate and enter into a written strategic
3 partnership agreement with a municipality under Section 43.0751,
4 Local Government Code.

5 Sec. 3967.0311. REGIONAL PARTICIPATION AGREEMENT. The
6 district may negotiate and enter into a written regional
7 participation agreement with a municipality under Section 43.0754,
8 Local Government Code.

9 Sec. 3967.0312. PARKING FACILITIES. (a) The district may
10 acquire, lease as lessor or lessee, construct, develop, own,
11 operate, and maintain parking facilities or a system of parking
12 facilities, including lots, garages, parking terminals, or other
13 structures or accommodations for parking motor vehicles off the
14 streets and related appurtenances.

15 (b) The district's parking facilities serve the public
16 purposes of the district and are owned, used, and held for a public
17 purpose even if leased or operated by a private entity for a term of
18 years.

19 (c) The district's parking facilities are parts of and
20 necessary components of a street and are considered to be a street
21 or road improvement.

22 (d) The development and operation of the district's parking
23 facilities may be considered an economic development program.

24 Sec. 3967.0313. ADDING OR EXCLUDING LAND. (a) The district
25 may add land in the manner provided by Subchapter J, Chapter 49,
26 Water Code.

27 (b) The district may exclude land as provided by Subchapter

1 J, Chapter 49, Water Code. Section 375.044(b), Local Government
2 Code, does not apply to the district.

3 (c) The district may include and exclude land as provided by
4 Sections 54.739-54.747, Water Code. A reference in those sections
5 to a "tax" means an ad valorem tax for the purposes of this
6 subsection.

7 (d) If the district adopts a sales and use tax authorized at
8 an election held under Section 3967.0602 and subsequently includes
9 new territory in the district under this section, the district:

10 (1) is not required to hold another election to
11 approve the imposition of the sales and use tax in the included
12 territory; and

13 (2) shall impose the sales and use tax in the included
14 territory as provided by Chapter 321, Tax Code.

15 (e) If the district adopts a sales and use tax authorized at
16 an election held under Section 3967.0602 and subsequently excludes
17 territory in the district under this section, the sales and use tax
18 is inapplicable to the excluded territory, as provided by Chapter
19 321, Tax Code, but is applicable to the territory remaining in the
20 district.

21 Sec. 3967.0314. DISBURSEMENTS AND TRANSFERS OF MONEY. The
22 board by resolution shall establish the number of directors'
23 signatures and the procedure required for a disbursement or
24 transfer of district money.

25 Sec. 3967.0315. AUDIT EXEMPTION. (a) The district may
26 elect to complete an annual financial report in lieu of an annual
27 audit under Section 375.096(a)(6), Local Government Code, if:

1 (1) the district had no bonds or other long-term (more
2 than one year) liabilities outstanding during the fiscal period;

3 (2) the district did not have gross receipts from
4 operations, loans, taxes, assessments, or contributions in excess
5 of \$250,000 during the fiscal period; and

6 (3) the district's cash and temporary investments were
7 not in excess of \$250,000 during the fiscal period.

8 (b) Each annual financial report prepared in accordance
9 with this section must be open to public inspection and accompanied
10 by an affidavit signed by a duly authorized representative of the
11 district attesting to the accuracy and authenticity of the
12 financial report.

13 (c) The annual financial report and affidavit shall be
14 substantially similar in form to the annual financial report and
15 affidavit forms prescribed by the executive director of the Texas
16 Commission on Environmental Quality under Section 49.198, Water
17 Code.

18 Sec. 3967.0316. NO EMINENT DOMAIN POWER. The district may
19 not exercise the power of eminent domain.

20 SUBCHAPTER D. ASSESSMENTS

21 Sec. 3967.0401. PETITION REQUIRED FOR FINANCING SERVICES
22 AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
23 service or improvement project with assessments under this chapter
24 unless a written petition requesting that service or improvement
25 has been filed with the board.

26 (b) The petition must be signed by the owners of a majority
27 of the assessed value of real property in the district subject to

1 assessment according to the most recent certified tax appraisal
2 roll for the county.

3 Sec. 3967.0402. METHOD OF NOTICE FOR HEARING. The district
4 may mail the notice required by Section 375.115(c), Local
5 Government Code, by certified or first class United States mail.
6 The board shall determine the method of notice.

7 Sec. 3967.0403. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
8 The board by resolution may impose and collect an assessment for any
9 purpose authorized by this chapter in all or any part of the
10 district.

11 (b) An assessment, a reassessment, or an assessment
12 resulting from an addition to or correction of the assessment roll
13 by the district, penalties and interest on an assessment or
14 reassessment, an expense of collection, and reasonable attorney's
15 fees incurred by the district are:

16 (1) a first and prior lien against the property
17 assessed;

18 (2) superior to any other lien or claim other than a
19 lien or claim for county, school district, or municipal ad valorem
20 taxes; and

21 (3) the personal liability of and a charge against the
22 owners of the property even if the owners are not named in the
23 assessment proceedings.

24 (c) The lien is effective from the date of the board's
25 resolution imposing the assessment until the date the assessment is
26 paid. The board may enforce the lien in the same manner that the
27 board may enforce an ad valorem tax lien against real property.

1 (d) The board may make a correction to or deletion from the
2 assessment roll that does not increase the amount of assessment of
3 any parcel of land without providing notice and holding a hearing in
4 the manner required for additional assessments.

5 SUBCHAPTER E. TAXES AND BONDS

6 Sec. 3967.0501. TAX ELECTION REQUIRED. The district must
7 hold an election in the manner provided by Chapter 49, Water Code,
8 or, if applicable, Chapter 375, Local Government Code, to obtain
9 voter approval before the district may impose an ad valorem tax.

10 Sec. 3967.0502. OPERATION AND MAINTENANCE TAX. (a) If
11 authorized by a majority of the district voters voting at an
12 election under Section 3967.0501, the district may impose an
13 operation and maintenance tax on taxable property in the district
14 in the manner provided by Section 49.107, Water Code, for any
15 district purpose, including to:

16 (1) maintain and operate the district;

17 (2) construct or acquire improvements; or

18 (3) provide a service.

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

22 (c) Section 49.107(h), Water Code, does not apply to the
23 district.

24 Sec. 3967.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE
25 BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on
26 terms determined by the board.

27 (b) The district may, by competitive bid or negotiated sale,

1 issue bonds, notes, or other obligations payable wholly or partly
2 from ad valorem taxes, assessments, impact fees, revenue, contract
3 payments, grants, or other district money, or any combination of
4 those sources of money, to pay for any authorized district purpose.

5 (c) The limitation on the outstanding principal amount of
6 bonds, notes, or other obligations provided by Section 49.4645,
7 Water Code, does not apply to the district.

8 Sec. 3967.0504. BONDS SECURED BY REVENUE OR CONTRACT
9 PAYMENTS. The district may issue, without an election, bonds
10 secured by:

11 (1) revenue other than ad valorem taxes, including
12 contract revenues; or

13 (2) contract payments, provided that the requirements
14 of Section 49.108, Water Code, have been met.

15 Sec. 3967.0505. BONDS SECURED BY AD VALOREM TAXES;
16 ELECTIONS. (a) If authorized at an election under Section
17 3967.0501, the district may issue bonds payable from ad valorem
18 taxes.

19 (b) Section 375.243, Local Government Code, does not apply
20 to the district.

21 (c) At the time the district issues bonds payable wholly or
22 partly from ad valorem taxes, the board shall provide for the annual
23 imposition of a continuing direct annual ad valorem tax, without
24 limit as to rate or amount, for each year that all or part of the
25 bonds are outstanding as required and in the manner provided by
26 Sections 54.601 and 54.602, Water Code.

27 (d) All or any part of any facilities or improvements that

1 may be acquired by a district by the issuance of its bonds may be
2 submitted as a single proposition or as several propositions to be
3 voted on at the election.

4 Sec. 3967.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The
5 board may not issue bonds until each municipality in whose
6 corporate limits or extraterritorial jurisdiction the district is
7 located has consented by ordinance or resolution to the creation of
8 the district and to the inclusion of land in the district.

9 (b) This section applies only to the district's first
10 issuance of bonds payable from ad valorem taxes.

11 SUBCHAPTER F. SALES AND USE TAX

12 Sec. 3967.0601. APPLICABILITY OF CERTAIN TAX CODE
13 PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition,
14 computation, administration, enforcement, and collection of the
15 sales and use tax authorized by this subchapter except to the extent
16 Chapter 321, Tax Code, is inconsistent with this chapter.

17 (b) A reference in Chapter 321, Tax Code, to a municipality
18 or the governing body of a municipality is a reference to the
19 district or the board, respectively.

20 Sec. 3967.0602. ELECTION; ADOPTION OF TAX. (a) The
21 district may adopt a sales and use tax if authorized by a majority
22 of the voters of the district voting at an election held for that
23 purpose.

24 (b) The board by order may call an election to authorize the
25 adoption of the sales and use tax. The election may be held on any
26 uniform election date and in conjunction with any other district
27 election.

1 (c) The ballot shall be printed to provide for voting for or
2 against the proposition: "Authorization of a sales and use tax in
3 the Wood Trace Management District of Montgomery County, Texas, at
4 a rate not to exceed ____ percent" (insert rate of one or more
5 increments of one-eighth of one percent).

6 Sec. 3967.0603. SALES AND USE TAX RATE. (a) On or after the
7 date the results are declared of an election held under Section
8 3967.0602, at which the voters approved imposition of the tax
9 authorized by this subchapter, the board shall determine and adopt
10 by resolution or order the initial rate of the tax, which must be in
11 one or more increments of one-eighth of one percent.

12 (b) After the election held under Section 3967.0602, the
13 board may increase or decrease the rate of the tax by one or more
14 increments of one-eighth of one percent.

15 (c) The initial rate of the tax or any rate resulting from
16 subsequent increases or decreases may not exceed the lesser of:

17 (1) the maximum rate authorized by the district voters
18 at the election held under Section 3967.0602; or

19 (2) a rate that, when added to the rates of all sales
20 and use taxes imposed by other political subdivisions with
21 territory in the district, would result in the maximum combined
22 rate prescribed by Section 321.101(f), Tax Code, at any location in
23 the district.

24 Sec. 3967.0604. TAX AFTER MUNICIPAL ANNEXATION. (a) This
25 section applies to the district after a municipality annexes part
26 of the territory in the district and imposes the municipality's
27 sales and use tax in the annexed territory.

1 (b) If at the time of annexation the district has
2 outstanding debt or other obligations payable wholly or partly from
3 district sales and use tax revenue, Section 321.102(g), Tax Code,
4 applies to the district.

5 (c) If at the time of annexation the district does not have
6 outstanding debt or other obligations payable wholly or partly from
7 district sales and use tax revenue, the district may:

8 (1) exclude the annexed territory from the district,
9 if the district has no outstanding debt or other obligations
10 payable from any source; or

11 (2) reduce the sales and use tax in the annexed
12 territory by resolution or order of the board to a rate that, when
13 added to the sales and use tax rate imposed by the municipality in
14 the annexed territory, is equal to the sales and use tax rate
15 imposed by the district in the district territory that was not
16 annexed by the municipality.

17 Sec. 3967.0605. NOTIFICATION OF RATE CHANGE. The board
18 shall notify the comptroller of any changes made to the tax rate
19 under this subchapter in the same manner the municipal secretary
20 provides notice to the comptroller under Section 321.405(b), Tax
21 Code.

22 Sec. 3967.0606. USE OF REVENUE. Revenue from the sales and
23 use tax imposed under this subchapter is for the use and benefit of
24 the district and may be used for any district purpose. The district
25 may pledge all or part of the revenue to the payment of bonds,
26 notes, or other obligations, and that pledge of revenue may be in
27 combination with other revenue, including tax revenue, available to

1 the district.

2 Sec. 3967.0607. ABOLITION OF TAX. (a) Except as provided
3 by Subsection (b), the board may abolish the tax imposed under this
4 subchapter without an election.

5 (b) The board may not abolish the tax imposed under this
6 subchapter if the district has outstanding debt secured by the tax,
7 and repayment of the debt would be impaired by the abolition of the
8 tax.

9 (c) If the board abolishes the tax, the board shall notify
10 the comptroller of that action in the same manner the municipal
11 secretary provides notice to the comptroller under Section
12 321.405(b), Tax Code.

13 (d) If the board abolishes the tax or decreases the tax rate
14 to zero, a new election to authorize a sales and use tax must be held
15 under Section 3967.0602 before the district may subsequently impose
16 the tax.

17 (e) This section does not apply to a decrease in the sales
18 and use tax authorized under Section 3967.0604(c)(2).

19 SUBCHAPTER G. HOTEL OCCUPANCY TAX

20 Sec. 3967.0701. DEFINITION. In this subchapter, "hotel"
21 has the meaning assigned by Section 156.001, Tax Code.

22 Sec. 3967.0702. APPLICABILITY OF CERTAIN TAX CODE
23 PROVISIONS. (a) For purposes of this subchapter:

24 (1) a reference in Subchapter A, Chapter 352, Tax
25 Code, to a county is a reference to the district; and

26 (2) a reference in Subchapter A, Chapter 352, Tax
27 Code, to the commissioners court is a reference to the board.

1 (b) Except as inconsistent with this subchapter, Subchapter
2 A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized
3 by this subchapter, including the collection of the tax, subject to
4 the limitations prescribed by Sections 352.002(b) and (c), Tax
5 Code.

6 Sec. 3967.0703. TAX AUTHORIZED; USE OF REVENUE. The
7 district may impose a hotel occupancy tax for any purpose described
8 by Section 351.101 or 352.101, Tax Code.

9 Sec. 3967.0704. TAX RATE. (a) The amount of the hotel
10 occupancy tax may not exceed the lesser of:

11 (1) the maximum rate prescribed by Section 352.003(a),
12 Tax Code; or

13 (2) a rate that, when added to the rates of all hotel
14 occupancy taxes imposed by other political subdivisions with
15 territory in the district and by this state, does not exceed the sum
16 of the rate prescribed by Section 351.0025(b), Tax Code, plus two
17 percent.

18 (b) The district tax is in addition to a tax imposed by a
19 municipality under Chapter 351, Tax Code, or by the county under
20 Chapter 352, Tax Code.

21 Sec. 3967.0705. INFORMATION. The district may examine and
22 receive information related to the imposition of hotel occupancy
23 taxes to the same extent as if the district were a county.

24 Sec. 3967.0706. USE OF REVENUE. The district may use
25 revenue from the hotel occupancy tax for any district purpose that
26 is an authorized use of hotel occupancy tax revenue under Chapter
27 351 or 352, Tax Code. The district may pledge all or part of the

1 revenue to the payment of bonds, notes, or other obligations and
2 that pledge of revenue may be in combination with other revenue
3 available to the district.

4 Sec. 3967.0707. ABOLITION OF TAX. (a) Except as provided
5 by Subsection (b), the board may abolish the tax imposed under this
6 subchapter.

7 (b) The board may not abolish the tax imposed under this
8 subchapter if the district has outstanding debt secured by the tax,
9 and repayment of the debt would be impaired by the abolition of the
10 tax.

11 SUBCHAPTER I. DISSOLUTION BY BOARD

12 Sec. 3967.0901. DISSOLUTION OF DISTRICT WITH OUTSTANDING
13 DEBT. (a) The board may dissolve the district regardless of
14 whether the district has debt. Section 375.264, Local Government
15 Code, does not apply to the district.

16 (b) If the district has debt when it is dissolved, the
17 district shall remain in existence solely for the purpose of
18 discharging its debts. The dissolution is effective when all debts
19 have been discharged.

20 SECTION 2. The Wood Trace Management District of Montgomery
21 County, Texas, initially includes all the territory contained in
22 the following area:

23 Being a 92.63-acre tract of land, located in the Andrew J.
24 Hensley, Abstract No. 255 in Montgomery County, Texas; said
25 92.63-acre tract being out of a called 2,253.2253-acre tract of
26 land conveyed to Terra Investments, LP in Clerk's File Number
27 2004023496 of the Official Public Records of Real Property of

1 Montgomery County Texas (O.P.R.R.P.M.C.T.); said 92.63-acre tract
2 being more particularly described by metes and bounds as follows
3 (all bearings are referenced to the north line of said
4 2,253.2253-acre tract):

5 Beginning at a 5/8-inch iron rod with aluminum cap found at
6 the northwest corner of a called 10.0000-acre tract of land
7 recorded in Clerk's File Number 9350680 of the O.P.R.R.P.M.C.T.,
8 same being on the west line of said called 2,253.2253-acre tract and
9 the east right-of-way (R.O.W.) line of Highway 149 (60-feet wide);

10 1. Thence, with the common line of said Highway 149 and said
11 called 2,253.2253-acre tract, North 08 degrees 35 minutes 16
12 seconds West, a distance of 620.67 feet;

13 2. Thence, continuing with said common line, 291.17 feet
14 along the arc of a curve to the right, said curve having a central
15 angle of 05 degrees 59 minutes 03 seconds, a radius of 2,787.83 feet
16 and a chord that bears North 05 degrees 35 minutes 45 seconds West,
17 a distance of 291.04 feet;

18 3. Thence, with the northwest line of said called
19 2,253.2253-acre tract, North 42 degrees 18 minutes 44 seconds East,
20 a distance of 1,390.50 feet;

21 4. Thence, continuing with the northwest line of said called
22 2,253.2253-acre tract, North 43 degrees 05 minutes 06 seconds East,
23 a distance of 188.90 feet to the most westerly corner of a called
24 34.6647-acre tract of land recorded in Clerk's File Number
25 2018021947 of the O.P.R.R.P.M.C.T.;

26 Thence, with the west line of said called 34.6647-acre tract,
27 the following five (5) courses:

1 5. 1,433.79 feet along the arc of a curve to the right, said
2 curve having a central angle of 30 degrees 49 minutes 40 seconds, a
3 radius of 2,664.79 feet and a chord that bears South 25 degrees 30
4 minutes 44 seconds East, a distance of 1,416.55 feet;

5 6. South 10 degrees 05 minutes 54 seconds East, a distance of
6 415.32 feet;

7 7. South 10 degrees 05 minutes 54 seconds East, a distance of
8 300.00 feet;

9 8. South 10 degrees 05 minutes 54 seconds East, a distance of
10 516.07 feet;

11 9. 1,088.92 feet along the arc of a curve to the left, said
12 curve having a central angle of 10 degrees 31 minutes 19 seconds, a
13 radius of 5,929.58 feet and a chord that bears South 15 degrees 21
14 minutes 34 seconds East, a distance of 1,087.39 feet to the south
15 corner of aforesaid called 34.6647-acre tract, same being a
16 northwesterly line of a called 12.500-acre tract of land recorded
17 in Clerk's File Number 2014032464 of the O.P.R.R.P.M.C.T. and a
18 southeasterly interior line of aforesaid called 2,253.2253-acre
19 tract;

20 10. Thence, with the common line of said called 12.500-acre
21 tract and said called 2,253.2253-acre tract, South 41 degrees 39
22 minutes 24 seconds West, a distance of 434.22 feet to a westerly
23 corner of said called 2,253.2253-acre tract;

24 11. Thence, with the southwest line of said called
25 2,253.2253-acre tract, North 47 degrees 46 minutes 25 seconds West,
26 a distance of 1,585.59 feet to the south corner of aforesaid called
27 10.0000-acre tract;

1 Thence, with the east and north lines of said called
2 10.0000-acre tract, the following six (6) courses:

3 12. North 42 degrees 13 minutes 34 seconds East, a distance
4 of 435.59 feet;

5 13. North 30 degrees 32 minutes 17 seconds West, a distance
6 of 629.68 feet;

7 14. South 81 degrees 24 minutes 44 seconds West, a distance
8 of 342.11 feet;

9 15. South 54 degrees 50 minutes 52 seconds West, a distance
10 of 44.73 feet;

11 16. South 08 degrees 35 minutes 16 seconds East, a distance
12 of 30.00 feet;

13 17. South 81 degrees 24 minutes 44 seconds West, a distance
14 of 200.00 feet to the Point of Beginning and containing 92.63 acres
15 of land.

16 SECTION 3. (a) The legal notice of the intention to
17 introduce this Act, setting forth the general substance of this
18 Act, has been published as provided by law, and the notice and a
19 copy of this Act have been furnished to all persons, agencies,
20 officials, or entities to which they are required to be furnished
21 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
22 Government Code.

23 (b) The governor, one of the required recipients, has
24 submitted the notice and Act to the Texas Commission on
25 Environmental Quality.

26 (c) The Texas Commission on Environmental Quality has filed
27 its recommendations relating to this Act with the governor,

1 lieutenant governor, and speaker of the house of representatives
2 within the required time.

3 (d) All requirements of the constitution and laws of this
4 state and the rules and procedures of the legislature with respect
5 to the notice, introduction, and passage of this Act have been
6 fulfilled and accomplished.

7 SECTION 4. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2019.