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H.B. No. 4676

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Fort Bend County Management District No. 3; 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 3984 to read as follows:

CHAPTER 3984. FORT BEND COUNTY MANAGEMENT DISTRICT NO. 3

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3984.0101. DEFINITIONS. In this chapter:

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

(2) "County" means Fort Bend County.

(3) "Director" means a board member.

(4) "District" means the Fort Bend County Management District No. 3.

Sec. 3984.0102. CREATION AND NATURE OF DISTRICT; IMMUNITY.

(a) The Fort Bend County Management District No. 3 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.

Sec. 3984.0103. PURPOSE; DECLARATION OF INTENT. (a) The

1 creation of the district is essential to accomplish the purposes of  
2 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
3 Texas Constitution, and other public purposes stated in this  
4 chapter.

5 (b) By creating the district, the legislature has  
6 established a program to accomplish the public purposes set out in  
7 Sections 52 and 52-a, Article III, Texas Constitution.

8 (c) 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 (d) This chapter and the creation of the district may not be  
14 interpreted to relieve the county or a municipality 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 county or municipal  
18 services provided in the district.

19 Sec. 3984.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

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

25 (b) The district is created to serve a public use and  
26 benefit.

27 (c) The creation of the district is in the public interest

1 and is essential to further the public purposes of:

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

4 (2) eliminating unemployment and underemployment; and

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

7 (d) The district will:

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

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

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

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

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

27 (f) The district will not act as the agent or

1 instrumentality of any private interest even though the district  
2 will benefit many private interests as well as the public.

3 Sec. 3984.0105. INITIAL DISTRICT TERRITORY. (a) The  
4 district is initially composed of the territory described by  
5 Section 2 of the Act enacting this chapter.

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

10 (1) organization, existence, or validity;

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

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

15 (4) legality or operation.

16 Sec. 3984.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

17 All or any part of the area of the district is eligible to be  
18 included in:

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

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

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

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

27 Sec. 3984.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT

1 DISTRICTS LAW. Except as otherwise provided by this chapter,  
2 Chapter 375, Local Government Code, applies to the district.

3 Sec. 3984.0108. CONSTRUCTION OF CHAPTER. This chapter  
4 shall be liberally construed in conformity with the findings and  
5 purposes stated in this chapter.

6 Sec. 3984.0109. CONFLICTS OF LAW. This chapter prevails  
7 over any provision of general law, including a provision of Chapter  
8 375, Local Government Code, or Chapter 49, Water Code, that is in  
9 conflict or inconsistent with this chapter.

10 SUBCHAPTER B. BOARD OF DIRECTORS

11 Sec. 3984.0201. GOVERNING BODY; TERMS. (a) The district is  
12 governed by a board of five directors elected or appointed as  
13 provided by this chapter and Subchapter D, Chapter 49, Water Code.

14 (b) Except as provided by Section 3984.0203, directors  
15 serve staggered four-year terms.

16 Sec. 3984.0202. COMPENSATION. A director is entitled to  
17 receive fees of office and reimbursement for actual expenses as  
18 provided by Section 49.060, Water Code. Sections 375.069 and  
19 375.070, Local Government Code, do not apply to the board.

20 Sec. 3984.0203. TEMPORARY DIRECTORS. (a) On or after the  
21 effective date of the Act creating this chapter, the owner or owners  
22 of a majority of the assessed value of the real property in the  
23 district according to the most recent certified tax appraisal roll  
24 for the county may submit a petition to the Texas Commission on  
25 Environmental Quality requesting that the commission appoint as  
26 temporary directors the five persons named in the petition. The  
27 commission shall appoint as temporary directors the five persons

1 named in the petition.

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

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

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

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

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

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

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

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

27 Sec. 3984.0204. DISQUALIFICATION OF DIRECTORS. Section

1 49.052, Water Code, applies to the members of the board.

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 3984.0301. GENERAL POWERS AND DUTIES. The district  
4 has the powers and duties necessary to accomplish the purposes for  
5 which the district is created.

6 Sec. 3984.0302. IMPROVEMENT PROJECTS AND SERVICES. (a)  
7 The district, using any money available to the district for the  
8 purpose, may provide, design, construct, acquire, improve,  
9 relocate, operate, maintain, or finance an improvement project or  
10 service authorized under this chapter or Chapter 375, Local  
11 Government Code.

12 (b) The district may contract with a governmental or private  
13 entity to carry out an action under Subsection (a).

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

17 Sec. 3984.0303. RECREATIONAL FACILITIES. The district may  
18 develop or finance recreational facilities as authorized by Chapter  
19 375, Local Government Code, Sections 52 and 52-a, Article III,  
20 Texas Constitution, Section 59, Article XVI, Texas Constitution,  
21 and any other law that applies to the district.

22 Sec. 3984.0304. AUTHORITY FOR ROAD PROJECTS. Under Section  
23 52, Article III, Texas Constitution, the district may own, operate,  
24 maintain, design, acquire, construct, finance, issue bonds, notes,  
25 or other obligations for, improve, and convey to this state, a  
26 county, or a municipality for ownership, operation, and maintenance  
27 macadamized, graveled, or paved roads or improvements, including

1 storm drainage, in aid of those roads.

2 Sec. 3984.0305. CONVEYANCE AND APPROVAL OF ROAD PROJECT.

3 (a) The district may convey a road project authorized by Section  
4 3984.0304 to:

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

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

11 (b) Except as provided by Subsection (c), the district shall  
12 operate and maintain a road project authorized by Section 3984.0304  
13 that the district implements and does not convey to a municipality,  
14 a county, or this state under Subsection (a).

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

19 Sec. 3984.0306. RAIL FACILITIES. In addition to the powers  
20 granted under Section 375.0921(b), Local Government Code, the  
21 district may construct, acquire, improve, maintain, finance, and  
22 operate rail facilities and improvements in aid of those facilities  
23 for the transport of freight and other cargo.

24 Sec. 3984.0307. NONPROFIT CORPORATION. (a) The board by  
25 resolution may authorize the creation of a nonprofit corporation to  
26 assist and act for the district in implementing a project or  
27 providing a service authorized by this chapter.



1       (b) The nonprofit corporation:

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

5           (2) may implement any project and provide any service  
6 authorized by this chapter.

7       (c) The board shall appoint the board of directors of the  
8 nonprofit corporation. The board of directors of the nonprofit  
9 corporation shall serve in the same manner as the board of directors  
10 of a local government corporation created under Subchapter D,  
11 Chapter 431, Transportation Code, except that a board member is not  
12 required to reside in the district.

13       Sec. 3984.0308. LAW ENFORCEMENT SERVICES. Section 49.216,  
14 Water Code, applies to the district.

15       Sec. 3984.0309. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.  
16 The district may join and pay dues to a charitable or nonprofit  
17 organization that performs a service or provides an activity  
18 consistent with the furtherance of a district purpose.

19       Sec. 3984.0310. ECONOMIC DEVELOPMENT PROGRAMS. (a) The  
20 district may engage in activities that accomplish the economic  
21 development purposes of the district.

22       (b) The district may establish and provide for the  
23 administration of one or more programs to promote state or local  
24 economic development and to stimulate business and commercial  
25 activity in the district, including programs to:

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

27           (2) provide district personnel and services.

1       (c) The district may create economic development programs  
2 and exercise the economic development powers provided to  
3 municipalities by:

4             (1) Chapter 380, Local Government Code; and

5             (2) Subchapter A, Chapter 1509, Government Code.

6       Sec. 3984.0311. STRATEGIC PARTNERSHIP AGREEMENT. The  
7 district may negotiate and enter into a written strategic  
8 partnership agreement with a municipality under Section 43.0751,  
9 Local Government Code.

10       Sec. 3984.0312. REGIONAL PARTICIPATION AGREEMENT. The  
11 district may negotiate and enter into a written regional  
12 participation agreement with a municipality under Section 43.0754,  
13 Local Government Code.

14       Sec. 3984.0313. PARKING FACILITIES. (a) The district may  
15 acquire, lease as lessor or lessee, construct, develop, own,  
16 operate, and maintain parking facilities or a system of parking  
17 facilities, including lots, garages, parking terminals, or other  
18 structures or accommodations for parking motor vehicles off the  
19 streets and related appurtenances.

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

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

27       (d) The development and operation of the district's parking

1 facilities may be considered an economic development program.

2 Sec. 3984.0314. ADDING OR EXCLUDING LAND. (a) The district  
3 may add land in the manner provided by Subchapter J, Chapter 49,  
4 Water Code.

5 (b) The district may exclude land in the manner provided by  
6 Subchapter J, Chapter 49, Water Code. Section 375.044(b), Local  
7 Government Code, does not apply to the district.

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

12 (d) If the district adopts a sales and use tax authorized at  
13 an election held under Section 3984.0602 and subsequently includes  
14 new territory in the district under this section, the district:

15 (1) is not required to hold another election to  
16 approve the imposition of the sales and use tax in the included  
17 territory; and

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

20 (e) If the district adopts a sales and use tax authorized at  
21 an election held under Section 3984.0602 and subsequently excludes  
22 territory in the district under this section, the sales and use tax  
23 is inapplicable to the excluded territory, as provided by Chapter  
24 321, Tax Code, but is applicable to the territory remaining in the  
25 district.

26 Sec. 3984.0315. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
27 board by resolution shall establish the number of directors'

1 signatures and the procedure required for a disbursement or  
2 transfer of district money.

3 Sec. 3984.0316. AUDIT EXEMPTION. (a) The district may  
4 elect to complete an annual financial report in lieu of an annual  
5 audit under Section 375.096(a)(6), Local Government Code, if:

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

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

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

13 (b) Each annual financial report prepared in accordance  
14 with this section must be open to public inspection and accompanied  
15 by an affidavit signed by a duly authorized representative of the  
16 district attesting to the accuracy and authenticity of the  
17 financial report.

18 (c) The annual financial report and affidavit shall be  
19 substantially similar in form to the annual financial report and  
20 affidavit forms prescribed by the executive director of the Texas  
21 Commission on Environmental Quality under Section 49.198, Water  
22 Code.

23 Sec. 3984.0317. NO EMINENT DOMAIN POWER. The district may  
24 not exercise the power of eminent domain.

25 SUBCHAPTER D. ASSESSMENTS

26 Sec. 3984.0401. PETITION REQUIRED FOR FINANCING SERVICES  
27 AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a

1 service or improvement project with assessments under this chapter  
2 unless a written petition requesting that service or improvement  
3 has been filed with the board.

4 (b) A petition filed under Subsection (a) must be signed by  
5 the owners of a majority of the assessed value of real property in  
6 the district subject to assessment according to the most recent  
7 certified tax appraisal roll for the county.

8 Sec. 3984.0402. METHOD OF NOTICE FOR HEARING. The district  
9 may mail the notice required by Section 375.115(c), Local  
10 Government Code, by certified or first class United States mail.  
11 The board shall determine the method of notice.

12 Sec. 3984.0403. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
13 The board by resolution may impose and collect an assessment for any  
14 purpose authorized by this chapter in all or any part of the  
15 district.

16 (b) An assessment, a reassessment, or an assessment  
17 resulting from an addition to or correction of the assessment roll  
18 by the district, penalties and interest on an assessment or  
19 reassessment, an expense of collection, and reasonable attorney's  
20 fees incurred by the district:

21 (1) are a first and prior lien against the property  
22 assessed;

23 (2) are superior to any other lien or claim other than  
24 a lien or claim for county, school district, or municipal ad valorem  
25 taxes; and

26 (3) are the personal liability of and a charge against  
27 the owners of the property even if the owners are not named in the

1 assessment proceedings.

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

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

10 SUBCHAPTER E. TAXES AND BONDS

11 Sec. 3984.0501. TAX ELECTION REQUIRED. The district must  
12 hold an election in the manner provided by Chapter 49, Water Code,  
13 or, if applicable, Chapter 375, Local Government Code, to obtain  
14 voter approval before the district may impose an ad valorem tax.

15 Sec. 3984.0502. OPERATION AND MAINTENANCE TAX. (a) If  
16 authorized by a majority of the district voters voting at an  
17 election under Section 3984.0501, the district may impose an  
18 operation and maintenance tax on taxable property in the district  
19 in the manner provided by Section 49.107, Water Code, for any  
20 district purpose, including to:

- 21 (1) maintain and operate the district;  
22 (2) construct or acquire improvements; or  
23 (3) provide a service.

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

27 (c) Section 49.107(h), Water Code, does not apply to the

1 district.

2 Sec. 3984.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE  
3 BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on  
4 terms determined by the board.

5 (b) The district may, by competitive bid or negotiated sale,  
6 issue bonds, notes, or other obligations payable wholly or partly  
7 from ad valorem taxes, assessments, impact fees, revenue, contract  
8 payments, grants, or other district money, or any combination of  
9 those sources of money, to pay for any authorized district purpose.

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

13 Sec. 3984.0504. BONDS SECURED BY REVENUE OR CONTRACT  
14 PAYMENTS. The district may issue, without an election, bonds  
15 secured by:

16 (1) revenue other than ad valorem taxes, including  
17 contract revenues; or

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

20 Sec. 3984.0505. BONDS SECURED BY AD VALOREM TAXES;  
21 ELECTIONS. (a) If authorized at an election under Section  
22 3984.0501, the district may issue bonds payable from ad valorem  
23 taxes.

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

26 (c) At the time the district issues bonds payable wholly or  
27 partly from ad valorem taxes, the board shall provide for the annual

1 imposition of a continuing direct annual ad valorem tax, without  
2 limit as to rate or amount, for each year that all or part of the  
3 bonds are outstanding as required and in the manner provided by  
4 Sections 54.601 and 54.602, Water Code.

5 (d) All or any part of any facilities or improvements that  
6 may be acquired by a district by the issuance of its bonds may be  
7 submitted as a single proposition or as several propositions to be  
8 voted on at the election.

9 Sec. 3984.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The  
10 board may not hold an election under Section 3984.0501, issue  
11 bonds, or incur any debt until each municipality in whose corporate  
12 limits or extraterritorial jurisdiction the district is located has  
13 consented by ordinance or resolution to the creation of the  
14 district and to the inclusion of land in the district.

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

17 SUBCHAPTER F. SALES AND USE TAX

18 Sec. 3984.0601. APPLICABILITY OF CERTAIN TAX CODE  
19 PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition,  
20 computation, administration, enforcement, and collection of the  
21 sales and use tax authorized by this subchapter except to the extent  
22 Chapter 321, Tax Code, is inconsistent with this chapter.

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

26 Sec. 3984.0602. ELECTION; ADOPTION OF TAX. (a) The  
27 district may adopt a sales and use tax if authorized by a majority



1 of the voters of the district voting at an election held for that  
2 purpose.

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

7 (c) The ballot shall be printed to provide for voting for or  
8 against the proposition: "Authorization of a sales and use tax in  
9 the Fort Bend County Management District No. 3 at a rate not to  
10 exceed \_\_\_\_\_ percent" (insert rate of one or more increments of  
11 one-eighth of one percent).

12 Sec. 3984.0603. SALES AND USE TAX RATE. (a) On or after the  
13 date the results are declared of an election held under Section  
14 3984.0602, at which the voters approved imposition of the tax  
15 authorized by this subchapter, the board shall determine and adopt  
16 by resolution or order the initial rate of the tax, which must be in  
17 one or more increments of one-eighth of one percent.

18 (b) After the election held under Section 3984.0602, the  
19 board may increase or decrease the rate of the tax by one or more  
20 increments of one-eighth of one percent.

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

23 (1) the maximum rate authorized by the district voters  
24 at the election held under Section 3984.0602; or

25 (2) a rate that, when added to the rates of all sales  
26 and use taxes imposed by other political subdivisions with  
27 territory in the district, would result in the maximum combined

1 rate prescribed by Section 321.101(f), Tax Code, at any location in  
2 the district.

3 Sec. 3984.0604. TAX AFTER MUNICIPAL ANNEXATION. (a) This  
4 section applies to the district after a municipality annexes part  
5 of the territory in the district and imposes the municipality's  
6 sales and use tax in the annexed territory.

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

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

14 (1) exclude the annexed territory from the district,  
15 if the district has no outstanding debt or other obligations  
16 payable from any source; or

17 (2) reduce the sales and use tax in the annexed  
18 territory by resolution or order of the board to a rate that, when  
19 added to the sales and use tax rate imposed by the municipality in  
20 the annexed territory, is equal to the sales and use tax rate  
21 imposed by the district in the district territory that was not  
22 annexed by the municipality.

23 Sec. 3984.0605. NOTIFICATION OF RATE CHANGE. The board  
24 shall notify the comptroller of any changes made to the tax rate  
25 under this subchapter in the same manner the municipal secretary  
26 provides notice to the comptroller under Section 321.405(b), Tax  
27 Code.

1       Sec. 3984.0606. USE OF REVENUE. Revenue from the sales and  
2 use tax imposed under this subchapter is for the use and benefit of  
3 the district and may be used for any district purpose. The district  
4 may pledge all or part of the revenue to the payment of bonds,  
5 notes, or other obligations, and that pledge of revenue may be in  
6 combination with other revenue, including tax revenue, available to  
7 the district.

8       Sec. 3984.0607. ABOLITION OF TAX. (a) Except as provided  
9 by Subsection (b), the board may abolish the tax imposed under this  
10 subchapter without an election.

11       (b) The board may not abolish the tax imposed under this  
12 subchapter if the district has outstanding debt secured by the tax,  
13 and repayment of the debt would be impaired by the abolition of the  
14 tax.

15       (c) If the board abolishes the tax, the board shall notify  
16 the comptroller of that action in the same manner the municipal  
17 secretary provides notice to the comptroller under Section  
18 321.405(b), Tax Code.

19       (d) If the board abolishes the tax or decreases the tax rate  
20 to zero, a new election to authorize a sales and use tax must be held  
21 under Section 3984.0602 before the district may subsequently impose  
22 the tax.

23       (e) This section does not apply to a decrease in the sales  
24 and use tax authorized under Section 3984.0604(c)(2).

25                   SUBCHAPTER G. HOTEL OCCUPANCY TAX

26       Sec. 3984.0701. DEFINITION. In this subchapter, "hotel"  
27 has the meaning assigned by Section 156.001, Tax Code.

1       Sec. 3984.0702. APPLICABILITY OF CERTAIN TAX CODE  
2 PROVISIONS. (a) For purposes of this subchapter:

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

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

7       (b) Except as inconsistent with this subchapter, Subchapter  
8 A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized  
9 by this subchapter, including the collection of the tax, subject to  
10 the limitations prescribed by Sections 352.002(b) and (c), Tax  
11 Code.

12       Sec. 3984.0703. TAX AUTHORIZED; USE OF REVENUE. The  
13 district may impose a hotel occupancy tax for any purpose described  
14 by Section 351.101 or 352.101, Tax Code.

15       Sec. 3984.0704. TAX RATE. (a) The amount of the hotel  
16 occupancy tax may not exceed the lesser of:

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

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

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

27       Sec. 3984.0705. INFORMATION. The district may examine and

1 receive information related to the imposition of hotel occupancy  
2 taxes to the same extent as if the district were a county.

3 Sec. 3984.0706. USE OF REVENUE. The district may use  
4 revenue from the hotel occupancy tax for any district purpose that  
5 is an authorized use of hotel occupancy tax revenue under Chapter  
6 351 or 352, Tax Code. The district may pledge all or part of the  
7 revenue to the payment of bonds, notes, or other obligations and  
8 that pledge of revenue may be in combination with other revenue  
9 available to the district.

10 Sec. 3984.0707. ABOLITION OF TAX. (a) Except as provided  
11 by Subsection (b), the board may abolish the tax imposed under this  
12 subchapter.

13 (b) The board may not abolish the tax imposed under this  
14 subchapter if the district has outstanding debt secured by the tax,  
15 and repayment of the debt would be impaired by the abolition of the  
16 tax.

17 SUBCHAPTER I. DISSOLUTION BY BOARD

18 Sec. 3984.0901. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
19 DEBT. (a) The board may dissolve the district regardless of  
20 whether the district has debt. Section 375.264, Local Government  
21 Code, does not apply to the district.

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

26 SECTION 2. The Fort Bend County Management District No. 3  
27 initially includes all the territory contained in the following

1 area:

2 Being approximately 763.4 acres located in the John Jones  
3 Survey, Abstract 41, the Wiley Martin League, Abstract 56, the  
4 Peter Teal Survey, Abstract 337, and the M. M. Ryon Survey, Abstract  
5 368, and located in extraterritorial jurisdiction of the Town of  
6 Thompsons, Fort Bend County, Texas, more particularly described by  
7 metes and bounds as follows, (all bearings referenced to the Texas  
8 Coordinate System, South Central Zone, NAD83):

9 Commencing for reference at the southeast corner of the Abner  
10 Kuykendall League, Abstract 48, said corner being in the northeast  
11 line of said John Jones Survey;

12 Thence, North 67° 34' 45" West, 1,111.11 feet along the  
13 northeast line of said John Jones Survey to the north corner of the  
14 said John Jones Survey and east corner of said Wiley Martin League;

15 Thence, South 52° 25' 15" West, 6,921.88 feet to the POINT OF  
16 BEGINNING of the herein described tract, said point being at the  
17 intersection of the west right-of-way line of State Farm to Market  
18 Road No. 762 (called 80 feet wide) and the southeast line of said  
19 Wiley Martin League and northwest line of said John Jones Survey;

20 Thence, Southerly along the west right-of-way line of said  
21 State Farm to Market Road No. 762 with the following eleven (11)  
22 courses and distances:

23 1. South 08° 51' 57" East, 1,050.20 feet, more or less, to  
24 point, the beginning of a curve;

25 2. 194.68 feet, more or less, along the arc of a tangent  
26 curve to the left, having a radius of 5,212.24 feet, a central angle  
27 of 02° 08' 24", and a chord which bears South 09° 56' 09" East, 194.67

1 feet to a point for corner;  
2           3. South 11° 00' 23" East, 117.20 feet, more or less, to a  
3 point;  
4           4. South 07° 11' 32" East, 150.33 feet, more or less, to a  
5 point;  
6           5. South 11° 00' 23" East, 450.00 feet, more or less, to a  
7 point;  
8           6. South 16° 43' 01" East, 100.50 feet, more or less, to a  
9 point;  
10          7. South 11° 00' 23" East, 340.80 feet, more or less, to  
11 point, the beginning of a curve;  
12          8. 402.80 feet, more or less, along the arc of a tangent  
13 curve to the right, having a radius of 685.50 feet, a central angle  
14 of 33° 40' 00", and a chord which bears South 05° 49' 37" West, 397.03  
15 feet to a point for corner;  
16          9. South 22° 24' 43" West, at 248.71 feet pass a point in the  
17 North line of the Entrance Road, in all 330.91 feet, more or less,  
18 to a point in the South line of said Entrance Road to George Park;  
19          10. South 22° 50' 06" West, 568.79 feet, more or less, to an  
20 angle point;  
21          11. South 22° 29' 40" West, 1,570.38 feet, more or less, to  
22 the southeast corner of this tract;  
23          Thence, North 67° 30' 40" West, departing the west  
24 right-of-way line of said State Farm to Market Road No. 762,  
25 2,249.84 feet, more or less, to the southwest corner of this tract,  
26 said point being in the centerline of a farm road;  
27          Thence, North 25° 06' 53" East, along the centerline of a farm

1 road, 843.77 feet, more or less, to a point for corner in the  
2 northwesterly line of the aforementioned M. M. Ryon Survey and the  
3 southeasterly line of the aforementioned Peter Teal Survey;

4 Thence, South 42° 04' 42" West, with the common survey line of  
5 said M. M. Ryon and Peter Teal Surveys, 3,389.92 feet, more or less,  
6 to a point for the common east corner of said Peter Teal Survey and  
7 the William Byrne Survey, Abstract 112, Fort Bend County Texas;

8 Thence, North 47° 55' 18" West, with the common survey line of  
9 said Peter Teal and said William Byrne Survey, 4,536.11 feet, more  
10 or less, to a point for the common west corner of said Peter Teal and  
11 William Byrne Surveys, same being in the southeasterly line of the  
12 Henry Wilcox Survey, Abstract 342, Fort Bend County, Texas;

13 Thence, North 42° 04' 42" East, with the common survey line of  
14 said Peter Teal Survey and said Henry Wilcox Survey, 1,661.11 feet,  
15 more or less, to a point for the common north corner of said Peter  
16 Teal and Henry Wilcox Surveys, same being on the southwesterly line  
17 of the aforementioned Wiley Martin League;

18 Thence, South 67° 54' 35" East, with the common line of said  
19 Peter Teal and Wiley Martin Leagues, 3,158.33 feet, more or less, to  
20 an angle point for corner;

21 Thence, North 52° 04' 42" East, continuing with said common  
22 line, 1,929.30 feet, more or less, to a point for corner;

23 Thence, departing the northeasterly line of said Peter Teal  
24 Survey and the southerly line of said Wiley Martin League, westerly  
25 and northerly along the centerline of a farm road the following  
26 eleven (11) courses and distances:

27 1. North 15° 05' 08" East, 224.85 feet, more or less, to a



- 1 point for corner;
- 2           2. North 45° 58' 21" West, 1,101.01 feet, more or less, to a  
3 point for corner;
- 4           3. North 39° 47' 43" West, 109.50 feet, more or less, to a  
5 point for corner;
- 6           4. North 16° 57' 20" West, 99.03 feet, more or less, to a  
7 point for corner;
- 8           5. North 13° 29' 08" West, 438.57 feet, more or less, to a  
9 point for corner;
- 10          6. North 13° 38' 07" West, 1,498.84 feet, more or less, to a  
11 point for corner;
- 12          7. North 18° 59' 40" West, 80.30 feet, more or less, to a  
13 point for corner;
- 14          8. North 42° 20' 03" West, 62.14 feet, more or less, to a  
15 point for corner;
- 16          9. North 60° 52' 39" West, 236.49 feet, more or less, to a  
17 point for corner;
- 18          10. North 00° 52' 17" West, 160.45 feet, more or less, to a  
19 point for corner on a bridge at the centerline of Dry Creek for  
20 angle point;
- 21          11. North 00° 38' 30" West, 174.07 feet, more or less, to the  
22 northwest corner of this tract;
- 23            Thence, North 66° 38' 04" East, departing said road, 278.20  
24 feet, more or less, to a point for corner;
- 25            Thence, South 86° 26' 20" East, 71.37 feet, more or less, to a  
26 point for corner;
- 27            Thence, North 48° 36' 58" East, 126.06 feet, more or less, to a

1 point for corner;

2 Thence, North 88° 02' 53" East, 131.33 feet, more or less, to a  
3 point for corner;

4 Thence, North 68° 30' 10" East, 1,817.67 feet, more or less,  
5 to a point for re-entrant corner of this tract;

6 Thence, North 38° 15' 23" West, 140.20 feet, more or less, to a  
7 point for corner;

8 Thence, North 69° 38' 00" East, 224.50 feet, more or less, to  
9 the north corner of this tract, same being on the westerly  
10 right-of-way line of the aforementioned State Farm to Market Road  
11 No. 762;

12 Thence, South 38° 09' 57" East, with said westerly  
13 right-of-way line, 1,241.87 feet, more or less, to the north corner  
14 of a State of Texas 2.2750 acre Tract;

15 Thence, with the northerly, westerly, and southerly lines of  
16 said 2.2750 acre tract the following five (5) courses and  
17 distances:

18 1. South 51° 50' 03" West, 20.00 feet, more or less, to a  
19 point for corner;

20 2. South 38° 09' 57" East, 100.00 feet, more or less, to a  
21 point for corner, the beginning of a curve;

22 3. 1,710.57 feet, more or less, along the arc of a tangent  
23 curve to the right, having a radius of 3,345.00 feet, a central  
24 angle of 29° 18' 00", and a chord which bears South 23° 30' 57" East,  
25 1,691.99 feet to a point for corner;

26 4. South 08° 51' 57" East, 100.00 feet, more or less, to a  
27 point for corner;

1           5. North 81° 08' 03" East, 20.00 feet, more or less, to a  
2 point for corner in the westerly right-of-way line of said State  
3 Farm Market Road No. 762;

4           Thence, South 08° 51' 57" East, along said westerly  
5 right-of-way line, 289.74 feet, more or less, to the POINT OF  
6 BEGINNING and containing approximately 763.4 acres of land.

7           SECTION 3. (a) The legal notice of the intention to  
8 introduce this Act, setting forth the general substance of this  
9 Act, has been published as provided by law, and the notice and a  
10 copy of this Act have been furnished to all persons, agencies,  
11 officials, or entities to which they are required to be furnished  
12 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
13 Government Code.

14           (b) The governor, one of the required recipients, has  
15 submitted the notice and Act to the Texas Commission on  
16 Environmental Quality.

17           (c) The Texas Commission on Environmental Quality has filed  
18 its recommendations relating to this Act with the governor,  
19 lieutenant governor, and speaker of the house of representatives  
20 within the required time.

21           (d) All requirements of the constitution and laws of this  
22 state and the rules and procedures of the legislature with respect  
23 to the notice, introduction, and passage of this Act have been  
24 fulfilled and accomplished.

25           SECTION 4. This Act takes effect immediately if it receives  
26 a vote of two-thirds of all the members elected to each house, as  
27 provided by Section 39, Article III, Texas Constitution. If this

H.B. No. 4676

1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2019.