

Amend **SB 1418** on third reading by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3797 to read as follows:

CHAPTER 3797. PRESIDIO INTERNATIONAL PORT AUTHORITY DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3797.0101. DEFINITIONS. In this chapter:

(1) "Board" means the authority's board of directors.
(2) "City" means the city of Presidio.
(3) "County" means Presidio County.
(4) "Director" means a board member.
(5) "District" means the Presidio International Port Authority District.

(6) "School district" means Presidio Independent School District.

Sec. 3797.0102. NATURE OF DISTRICT. The Presidio International Port Authority District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3797.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

(b) By creating the district and in authorizing the county, the city, the school district, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

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

(d) The district is created to serve the interests of the residents of the district and the general public by improving the Presidio port of entry and encouraging international trade.

(e) This chapter and the creation of the district may not be interpreted to relieve the county or the city from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant county or city services provided in the district.

Sec. 3797.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

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

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

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

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

(2) eliminating unemployment and underemployment;

(3) developing or expanding transportation and commerce; and

(4) developing and expanding international trade.

(d) The district will:

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

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center, including by developing, constructing, owning, operating, and improving industrial parks;

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty;

(4) provide for water, wastewater, drainage, rail, and road facilities for the district; and

(5) provide for international border facilities, industrial parks, air transportation facilities, intermodal facilities, and foreign trade zones in the district.

(e) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 3797.0105. INITIAL DISTRICT TERRITORY. The district is initially composed of the territory in Presidio County.

Sec. 3797.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

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

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

(3) a foreign trade zone.

Sec. 3797.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3797.0108. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3797.0201. GOVERNING BODY; TERMS. The district is governed by a board of seven voting directors who serve staggered terms of four years with three or four directors' terms expiring June 1 of each odd-numbered year.

Sec. 3797.0202. QUALIFICATIONS AND APPOINTMENT OF VOTING DIRECTORS. (a) Section 375.063, Local Government Code, does not apply to the district.

(b) To be qualified to serve as a director, a person must be at least 18 years of age.

(c) From persons recommended by the board in the manner provided by Section 375.064, Local Government Code, the governing body of the county shall appoint three directors and the governing body of the city shall appoint two directors. Each of the appointed directors must be:

- (1) an owner of property in the district;
- (2) an owner of a beneficial interest in a trust, or a trustee in a trust, that directly or indirectly owns property in the district;
- (3) an agent, employee, or tenant of a person described by Subdivision (1) or (2); or
- (4) a person involved in international trade activities in the district.

(d) In addition to the directors appointed under Subsection (c), notwithstanding the common law doctrine of incompatibility, the mayor of the city and the county judge of the county serve as directors of the district, except as provided by Subsection (e). Notwithstanding Section 3797.0201, the term of a director who is also the mayor of the city or the county judge of the county expires when the member's term as mayor or county judge, as applicable, expires.

(e) The mayor of the city or the county judge of the county may decline to serve as a director. If the mayor of the city declines to serve, the governing body of the city shall appoint an alternate director in the manner provided by Subsection (c). If the county judge of the county declines to serve, the county shall appoint an alternate director in the manner provided by Subsection (c).

(f) A director described by Subsection (d) may not participate in a discussion of or vote on a matter regarding a contract with the political subdivision for which the person serves as an officer.

Sec. 3797.0203. NONVOTING DIRECTORS. The board may appoint representatives of taxing entities in the district to serve as nonvoting directors.

Sec. 3797.0204. INITIAL DIRECTORS. (a) The initial board consists of the following directors:

<u>Pos. No.</u>	<u>Name of Director</u>
<u>1</u>	<u>John Ferguson</u>
<u>2</u>	<u>Tom Davis</u>
<u>3</u>	<u>Scott Beasley</u>
<u>4</u>	<u>Cesar Baeza</u>

5 Joe Portillo
6 Isela Nunez
7 Sergio Mendoza Vidal

(b) Of the initial directors, the terms of directors appointed for positions one through four expire June 1, 2025, and the terms of directors appointed for positions five through seven expire June 1, 2027.

(c) Section 3797.0202 does not apply to initial directors appointed by this section.

(d) This section expires September 1, 2027.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3797.0301. GENERAL POWERS AND DUTIES. (a) The district has the powers and duties necessary to accomplish the purposes for which the district is created.

(b) Section 375.092(e), Local Government Code, applies to real property located inside or outside the district.

Sec. 3797.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using any money available to the district for the purpose, may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.

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

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

(d) The county, the school district, the Big Bend Regional Hospital District, and any other local government or political subdivision may contract with the district to provide for financing, construction, maintenance, and operation of public infrastructure or to carry out a district purpose.

(e) The district may not undertake a project on land owned by the city unless the city consents to the project.

Sec. 3797.0303. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or

providing a service authorized by this chapter.

(b) The nonprofit corporation:

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

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

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

Sec. 3797.0304. AUTHORITY TO CONTRACT FOR PUBLIC SAFETY SERVICES. To protect the public interest, the district may contract with a qualified party, including a municipality, the county, or any other governmental entity to provide law enforcement, public safety, fire protection, ambulance, emergency, or code enforcement services in the district for a fee.

Sec. 3797.0305. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3797.0306. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district may engage in activities that accomplish the economic development purposes of the district.

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

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

(2) provide district personnel and services.

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

(1) Chapter 380, Local Government Code; and

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

Sec. 3797.0307. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

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

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

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

Sec. 3797.0308. INTERNATIONAL BORDER FACILITIES. (a) The district may operate and maintain a port of entry in the district.

(b) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain bridge facilities, a system of international border crossing points, or other structures or accommodations facilitating international trade and related appurtenances.

(c) The facilities described by this section serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(d) The district's bridge facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(e) The development and operation of the facilities described by this section may be considered an economic development program.

Sec. 3797.0309. RAIL FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain rail facilities, and related appurtenances, to facilitate international trade.

(b) The district's rail facilities serve the public

purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The development and operation of the district's rail facilities may be considered an economic development program.

Sec. 3797.0310. TRANSPORTATION FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain facilities related to air transportation and intermodal facilities.

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

(c) The development and operation of the district's air transportation and intermodal facilities may be considered an economic development program.

Sec. 3797.0311. REGIONAL MOBILITY AUTHORITY POWERS. The district may exercise the transportation project powers of a regional mobility authority under Chapter 370, Transportation Code, for a transportation project, as defined by Section 370.003, Transportation Code.

Sec. 3797.0312. FEES. The district may establish and maintain reasonable and nondiscriminatory rates, fares, charges, rents, or other fees or compensation for the use of facilities constructed, operated, or maintained by the district.

Sec. 3797.0313. FOREIGN TRADE ZONE. (a) In this section, "foreign trade zone" has the meaning assigned by Section 681.001, Business & Commerce Code.

(b) The district may apply for, accept a grant of authority to, and establish, operate, and maintain a foreign trade zone, including the selection and description of the foreign trade zone and subzones.

(c) An authorization under this section is subject to the requirements of federal law and regulations established to carry out the provisions of the Foreign Trade Zones Act (19 U.S.C. Section 81a et seq.).

Sec. 3797.0314. ADDING OR EXCLUDING LAND. The district may

add or exclude land in the manner provided by Subchapter J, Chapter 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

Sec. 3797.0315. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 3797.0316. RESIDENTIAL PROPERTY NOT EXEMPT. Section 375.161, Local Government Code, does not apply to the district.

Sec. 3797.0317. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

SUBCHAPTER D. ASSESSMENTS

Sec. 3797.0401. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

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

Sec. 3797.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

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

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

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

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

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

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

SUBCHAPTER E. TAXES AND BONDS

Sec. 3797.0501. TAX ELECTION REQUIRED. The district must hold an election in the manner provided by Chapter 49, Water Code, or, if applicable, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax.

Sec. 3797.0502. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election under Section 3797.0501, the district may impose an operation and maintenance tax on taxable property in the district in the manner provided by Section 49.107, Water Code, for any district purpose, including to:

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

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

Sec. 3797.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS. (a) The district may borrow money on terms determined by the board.

(b) The district may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

Sec. 3797.0504. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:

- (1) revenue other than ad valorem taxes, including

contract revenues; or

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

Sec. 3797.0505. BONDS SECURED BY AD VALOREM TAXES; ELECTIONS. (a) If authorized at an election under Section 3797.0501, the district may issue bonds payable from ad valorem taxes.

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

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

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

Sec. 3797.0506. CONSENT OF CITY REQUIRED. (a) The board may not issue bonds until the city has consented by ordinance or resolution to the creation of the district and to the inclusion of municipal territory in the district.

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

SUBCHAPTER F. DEFINED AREAS

Sec. 3797.0601. AUTHORITY TO ESTABLISH DEFINED AREAS OR DESIGNATED PROPERTY. The district may define areas or designate certain property of the district to pay for improvements, facilities, or services that primarily benefit that area or property and do not generally and directly benefit the district as a whole.

Sec. 3797.0602. PROCEDURE FOR ELECTION. (a) Before the district may impose an ad valorem tax applicable only to the defined area or designated property or issue bonds payable from ad valorem taxes of the defined area or designated property, the board shall hold an election in the defined area or designated property only.

(b) The board may submit the proposition to the voters on the same ballot to be used in another election.

Sec. 3797.0603. DECLARING RESULT AND ISSUING ORDER. (a) If a majority of the voters voting at an election held under Section 3797.0602 approve the proposition or propositions, the board shall declare the results and, by order, shall establish the defined area or designated property and describe it by metes and bounds or designate the specific area or property.

(b) A court may not review the board's order except on the ground of fraud, palpable error, or arbitrary and confiscatory abuse of discretion.

Sec. 3797.0604. TAXES FOR SERVICES, IMPROVEMENTS, AND FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter approval and adoption of an order described by Section 3797.0603, the district may apply separately, differently, equitably, and specifically its taxing power and lien authority to the defined area or designated property to provide money to construct, administer, maintain, and operate services, improvements, and facilities that primarily benefit the defined area or designated property.

Sec. 3797.0605. ISSUANCE OF BONDS FOR DEFINED AREA OR DESIGNATED PROPERTY. After an order under Section 3797.0603 is adopted, the district may issue bonds to provide for any land, improvements, facilities, plants, equipment, and appliances for the defined area or designated property.

SUBCHAPTER I. DISSOLUTION

Sec. 3797.0901. DISSOLUTION. (a) 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) The board by majority vote may dissolve the district at any time.

(c) The district may not be dissolved by its board under Subsection (a) or (b) if the district:

(1) has any outstanding bonded indebtedness until that bonded indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonds;

(2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or

(3) owns, operates, or maintains public works, facilities, or improvements unless the district contracts with another person for the ownership, operation, or maintenance of the public works, facilities, or improvements.

(d) Sections 375.261, 375.262, and 375.264, Local Government Code, do not apply to the district.

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

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

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

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