

1-1 By: Isaac (Senate Sponsor - Campbell) H.B. No. 2259
 1-2 (In the Senate - Received from the House May 18, 2015;
 1-3 May 18, 2015, read first time and referred to Committee on
 1-4 Intergovernmental Relations; May 25, 2015, reported adversely,
 1-5 with favorable Committee Substitute by the following vote: Yeas 5,
 1-6 Nays 0, one present not voting; May 25, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10				X
1-11	X			
1-12	X			
1-13	X			
1-14			X	
1-15	X			

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 2259 By: Bettencourt

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the Driftwood Economic Development Municipal
 1-20 Management District; removing conditions to imposing a tax on
 1-21 residential property; providing authority to issue bonds.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Section 3858.052, Special District Local Laws
 1-24 Code, is amended to read as follows:

1-25 Sec. 3858.052. APPOINTMENT OF DIRECTORS. The board
 1-26 consists of the following directors:

1-27 (1) Position 1: a person appointed by the
 1-28 commissioners court;

1-29 (2) Position 2: a person appointed by the
 1-30 commissioners court;

1-31 (3) Position 3: a person appointed by the city
 1-32 council;

1-33 (4) Position 4: a person appointed by the city
 1-34 council; and

1-35 (5) Position 5: a person appointed by the
 1-36 commissioners court, who must be the individual, the designee of
 1-37 the individual, or the designee of the entity that ~~who~~ owns more
 1-38 property in the district than any other individual or entity,
 1-39 except that if the commissioners court is unable to identify a
 1-40 qualified person ~~[qualified for Position 5]~~ who is willing and able
 1-41 to serve, the commissioners court shall appoint to the place a
 1-42 person who is:

1-43 (A) at least 18 years old; and

1-44 (B) a resident of this state.

1-45 SECTION 2. Subchapter B, Chapter 3858, Special District
 1-46 Local Laws Code, is amended by adding Section 3858.057 to read as
 1-47 follows:

1-48 Sec. 3858.057. QUALIFICATIONS OF DIRECTORS; PARTICIPATION
 1-49 IN VOTING. (a) Sections 375.063 and 375.072, Local Government
 1-50 Code, do not apply to a director.

1-51 (b) An official or employee of a public entity may serve on
 1-52 the board. The common law doctrine of incompatibility does not
 1-53 disqualify an official or employee of a public entity from serving
 1-54 as a director.

1-55 (c) A person appointed to serve on the board under this
 1-56 chapter is qualified to serve as a director and participate in all
 1-57 votes pertaining to the business of the district regardless of any
 1-58 other statutory provision to the contrary.

1-59 (d) A director may participate in discussion and vote on an
 1-60 action even if the director is an official or employee of a public

2-1 entity and the action relates to assessments on or contracts with
2-2 the public entity.

2-3 SECTION 3. Section 3858.102(a), Special District Local Laws
2-4 Code, is amended to read as follows:

2-5 (a) The district may provide, or it may enter into contracts
2-6 with a governmental or private entity to provide, the following
2-7 types of improvement projects or services or activities in support
2-8 of or incidental to those projects or services:

2-9 (1) the planning, design, construction, improvement,
2-10 operation, and maintenance of:

2-11 (A) irrigation facilities and landscaping;

2-12 (B) highway right-of-way or transit corridor
2-13 beautification and improvement;

2-14 (C) lighting, banners, and signs;

2-15 (D) a street or sidewalk;

2-16 (E) a hiking or cycling path or trail;

2-17 (F) a park, lake, garden, recreational facility,
2-18 sports facility, open space, scenic area, animal habitat, or
2-19 related exhibit or preserve;

2-20 (G) a fountain, plaza, or pedestrian mall;

2-21 (H) a drainage or storm-water detention
2-22 improvement;

2-23 (I) a wastewater treatment and disposal
2-24 facility;

2-25 (J) water, wastewater, or drainage facilities or
2-26 services;

2-27 (K) a water quality protection facility;

2-28 (L) [~~(K)~~] a facility to enhance groundwater
2-29 recharge, including a rainwater collection and harvesting system;

2-30 (M) [~~(L)~~] an alternative energy facility; or

2-31 (N) [~~(M)~~] solid waste management services,
2-32 including garbage collection, recycling, and composting;

2-33 (2) the planning, design, construction, acquisition,
2-34 lease, rental, improvement, maintenance, installation, and
2-35 management of and provision of furnishings for a facility for:

2-36 (A) a conference, convention, or exhibition;

2-37 (B) a manufacturer, consumer, or trade show;

2-38 (C) a civic, community, or institutional event;
2-39 or

2-40 (D) an exhibit, display, attraction, special
2-41 event, or seasonal or cultural celebration or holiday; or

2-42 (3) a special or supplemental service for the
2-43 improvement and promotion of the district or for the protection of
2-44 public health and safety in the district, including:

2-45 (A) advertising;

2-46 (B) promotion;

2-47 (C) tourism;

2-48 (D) health and sanitation;

2-49 (E) public safety;

2-50 (F) security;

2-51 (G) fire protection or emergency medical
2-52 services;

2-53 (H) business recruitment;

2-54 (I) development;

2-55 (J) elimination of traffic congestion;

2-56 (K) recreational, educational, or cultural
2-57 improvements, enhancements, and services; [~~or~~]

2-58 (L) water, wastewater, or drainage facilities or
2-59 services; or

2-60 (M) any similar public improvement, facility, or
2-61 service.

2-62 SECTION 4. Subchapter C, Chapter 3858, Special District
2-63 Local Laws Code, is amended by adding Section 3858.1025 to read as
2-64 follows:

2-65 Sec. 3858.1025. ECONOMIC DEVELOPMENT. (a) The district may
2-66 engage in activities that accomplish the economic development
2-67 purposes of the district.

2-68 (b) The district may establish and provide for the
2-69 administration of one or more programs to promote state or local

3-1 economic development and to stimulate business and commercial
3-2 activity in the district, including programs to:

- 3-3 (1) make loans and grants of public money; and
- 3-4 (2) provide district personnel and services.

3-5 (c) The district may create economic development programs
3-6 and exercise the economic development powers that Chapter 380,
3-7 Local Government Code, provides to a municipality.

3-8 SECTION 5. Section 3858.104(a), Special District Local Laws
3-9 Code, is amended to read as follows:

3-10 (a) The district may adopt and enforce rules:

3-11 (1) to administer or operate the district or any
3-12 service provided by the district;

3-13 (2) for the use, enjoyment, availability, protection,
3-14 security, and maintenance of the district's property and
3-15 facilities; or

3-16 (3) to provide for public safety and security in the
3-17 district.

3-18 SECTION 6. Subchapter D, Chapter 3858, Special District
3-19 Local Laws Code, is amended by adding Section 3858.1521 to read as
3-20 follows:

3-21 Sec. 3858.1521. BONDS AND OTHER OBLIGATIONS. (a) The
3-22 district may issue bonds, notes, or other obligations payable
3-23 wholly or partly from ad valorem taxes, assessments, impact fees,
3-24 revenue, contract payments, grants, or other district money for any
3-25 purpose authorized by this chapter.

3-26 (b) Notwithstanding Subsection (a), ad valorem taxes may be
3-27 pledged only to pay bonds, notes, or other obligations that are
3-28 issued by the district for purposes authorized under Sections 52
3-29 and 52-a, Article III, or Section 59, Article XVI, Texas
3-30 Constitution.

3-31 SECTION 7. Section 3858.152, Special District Local Laws
3-32 Code, is repealed.

3-33 SECTION 8. (a) Section 3858.153(c), Special District Local
3-34 Laws Code, is repealed.

3-35 (b) This section takes effect January 1, 2016.

3-36 SECTION 9. The repeal by this Act of Section 3858.153(c),
3-37 Special District Local Laws Code, applies only to ad valorem taxes
3-38 that are imposed for an ad valorem tax year that begins on or after
3-39 January 1, 2016.

3-40 SECTION 10. (a) The legal notice of the intention to
3-41 introduce this Act, setting forth the general substance of this
3-42 Act, has been published as provided by law, and the notice and a
3-43 copy of this Act have been furnished to all persons, agencies,
3-44 officials, or entities to which they are required to be furnished
3-45 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
3-46 Government Code.

3-47 (b) The governor has submitted the notice and Act to the
3-48 Texas Commission on Environmental Quality.

3-49 (c) The Texas Commission on Environmental Quality has filed
3-50 its recommendations relating to this Act with the governor,
3-51 lieutenant governor, and speaker of the house of representatives
3-52 within the required time.

3-53 (d) All requirements of the constitution and laws of this
3-54 state and the rules and procedures of the legislature with respect
3-55 to the notice, introduction, and passage of this Act are fulfilled
3-56 and accomplished.

3-57 SECTION 11. Except as otherwise provided by this Act, this
3-58 Act takes effect September 1, 2015.

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