

1-1 By: Bell (Senate Sponsor - Creighton) H.B. No. 4154
 1-2 (In the Senate - Received from the House May 13, 2015;
 1-3 May 13, 2015, read first time and referred to Committee on
 1-4 Intergovernmental Relations; May 24, 2015, reported adversely,
 1-5 with favorable Committee Substitute by the following vote: Yeas 6,
 1-6 Nays 0; May 24, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
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. 4154 By: Bettencourt

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

1-19 relating to the creation of the Grand Lake Estates Management
 1-20 District; providing authority to issue bonds; providing authority
 1-21 to impose assessments, fees, or taxes.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-23 SECTION 1. Subtitle C, Title 4, Special District Local Laws
 1-24 Code, is amended by adding Chapter 3938 to read as follows:

1-25 CHAPTER 3938. GRAND LAKE ESTATES MANAGEMENT DISTRICT
 1-26 SUBCHAPTER A. GENERAL PROVISIONS

1-27 Sec. 3938.001. DEFINITIONS. In this chapter:

- 1-28 (1) "Board" means the district's board of directors.
- 1-29 (2) "County" means Montgomery County.
- 1-30 (3) "Director" means a board member.
- 1-31 (4) "District" means the Grand Lake Estates Management
 1-32 District.

1-33 Sec. 3938.002. CREATION AND NATURE OF DISTRICT. The
 1-34 district is a special district created under Section 59, Article
 1-35 XVI, Texas Constitution.

1-36 Sec. 3938.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
 1-37 creation of the district is essential to accomplish the purposes of
 1-38 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
 1-39 Texas Constitution, and other public purposes stated in this
 1-40 chapter. By creating the district and in authorizing political
 1-41 subdivisions to contract with the district, the legislature has
 1-42 established a program to accomplish the public purposes set out in
 1-43 Section 52-a, Article III, Texas Constitution.

1-44 (b) The creation of the district is necessary to promote,
 1-45 develop, encourage, and maintain employment, commerce,
 1-46 transportation, housing, tourism, recreation, the arts,
 1-47 entertainment, economic development, safety, and the public
 1-48 welfare in the district.

1-49 (c) The district is created to supplement and not to
 1-50 supplant county services provided in the district.

1-51 Sec. 3938.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
 1-52 The district is created to serve a public use and benefit.

1-53 (b) All land and other property included in the district
 1-54 will benefit from the improvements and services to be provided by
 1-55 the district under powers conferred by Sections 52 and 52-a,
 1-56 Article III, and Section 59, Article XVI, Texas Constitution, and
 1-57 other powers granted under this chapter.

1-58 (c) The creation of the district is in the public interest
 1-59 and is essential to further the public purposes of:

- 1-60 (1) developing and diversifying the economy of the

2-1 state;
2-2 (2) eliminating unemployment and underemployment;
2-3 (3) developing or expanding transportation and
2-4 commerce; and
2-5 (4) providing quality residential housing.
2-6 (d) The district will:
2-7 (1) promote the health, safety, and general welfare of
2-8 residents, employers, potential employees, employees, visitors,
2-9 and consumers in the district, and of the public;
2-10 (2) provide needed funding for the district to
2-11 preserve, maintain, and enhance the economic health and vitality of
2-12 the district territory as a residential community and business
2-13 center; and
2-14 (3) promote the health, safety, welfare, and enjoyment
2-15 of the public by providing pedestrian ways and by landscaping,
2-16 removing graffiti from, and developing certain areas in the
2-17 district, which are necessary for the restoration, preservation,
2-18 and enhancement of scenic beauty.
2-19 (e) Pedestrian ways along or across a street, whether at
2-20 grade or above or below the surface, and street lighting, street
2-21 landscaping, vehicle parking, and street art objects are parts of
2-22 and necessary components of a street and are considered to be an
2-23 improvement project that includes a street or road improvement.
2-24 (f) The district will not act as the agent or
2-25 instrumentality of any private interest even though the district
2-26 will benefit many private interests as well as the public.
2-27 Sec. 3938.005. DISTRICT TERRITORY. (a) The district is
2-28 initially composed of the territory described by Section 2 of the
2-29 Act enacting this chapter.
2-30 (b) The boundaries and field notes contained in Section 2 of
2-31 the Act enacting this chapter form a closure. A mistake in the
2-32 field notes or in copying the field notes in the legislative process
2-33 does not affect the district's:
2-34 (1) organization, existence, or validity;
2-35 (2) right to issue any type of bond for the purposes
2-36 for which the district is created or to pay the principal of and
2-37 interest on a bond;
2-38 (3) right to impose or collect an assessment or tax; or
2-39 (4) legality or operation.
2-40 Sec. 3938.006. APPLICABILITY OF MUNICIPAL MANAGEMENT
2-41 DISTRICTS LAW. Except as otherwise provided by this chapter,
2-42 Chapter 375, Local Government Code, applies to the district.
2-43 Sec. 3938.007. CONSTRUCTION OF CHAPTER. This chapter shall
2-44 be liberally construed in conformity with the findings and purposes
2-45 stated in this chapter.
2-46 SUBCHAPTER B. BOARD OF DIRECTORS
2-47 Sec. 3938.051. GOVERNING BODY; TERMS. The district is
2-48 governed by a board of five voting directors who serve staggered
2-49 terms of four years with two or three directors' terms expiring June
2-50 1 of each odd-numbered year.
2-51 Sec. 3938.052. QUALIFICATIONS OF DIRECTORS APPOINTED BY
2-52 COUNTY. To be qualified to serve as a director appointed by the
2-53 governing body of the county, a person must be:
2-54 (1) a resident of the district who is also a registered
2-55 voter of the district;
2-56 (2) an owner of property in the district;
2-57 (3) an owner of stock or a partnership or membership
2-58 interest, whether beneficial or otherwise, of a corporate
2-59 partnership, limited liability company, or other entity owner of a
2-60 direct or indirect interest in property in the district;
2-61 (4) an owner of a beneficial interest in a trust, or a
2-62 trustee in a trust, that directly or indirectly owns property in the
2-63 district;
2-64 (5) an agent, employee, or tenant of a person
2-65 described by Subdivision (2), (3), or (4); or
2-66 (6) an initial director.
2-67 Sec. 3938.053. APPOINTMENT OF DIRECTORS. The governing
2-68 body of the county shall appoint directors from persons recommended
2-69 by the board.

3-1 Sec. 3938.054. VACANCY. If a vacancy occurs on the board,
3-2 the remaining directors shall appoint a director for the remainder
3-3 of the unexpired term.

3-4 Sec. 3938.055. DIRECTOR'S OATH OR AFFIRMATION. (a) A
3-5 director shall file the director's oath or affirmation of office
3-6 with the district, and the district shall retain the oath or
3-7 affirmation in the district records.

3-8 (b) A director shall file a copy of the director's oath or
3-9 affirmation with the clerk of the county.

3-10 Sec. 3938.056. QUORUM. A vacant director position is not
3-11 counted for purposes of establishing a quorum.

3-12 Sec. 3938.057. OFFICERS. The board shall elect from among
3-13 the directors a chair, a vice chair, and a secretary. The offices
3-14 of chair and secretary may not be held by the same person.

3-15 Sec. 3938.058. COMPENSATION; EXPENSES. (a) The district
3-16 may compensate each director in an amount not to exceed \$50 for each
3-17 board meeting. The total amount of compensation a director may
3-18 receive each year may not exceed \$2,000.

3-19 (b) A director is entitled to reimbursement for necessary
3-20 and reasonable expenses incurred in carrying out the duties and
3-21 responsibilities of the board.

3-22 Sec. 3938.059. LIABILITY INSURANCE. The district may obtain
3-23 and pay for comprehensive general liability insurance coverage from
3-24 a commercial insurance company or other source that protects and
3-25 insures a director against personal liability and from all claims
3-26 relating to:

3-27 (1) actions taken by the director in the director's
3-28 capacity as a member of the board;

3-29 (2) actions and activities taken by the district; or

3-30 (3) the actions of others acting on behalf of the
3-31 district.

3-32 Sec. 3938.060. NO EXECUTIVE COMMITTEE. The board may not
3-33 create an executive committee to exercise the powers of the board.

3-34 Sec. 3938.061. BOARD MEETINGS. The board shall hold
3-35 meetings at a place accessible to the public.

3-36 Sec. 3938.062. INITIAL DIRECTORS. (a) The initial board
3-37 consists of:

<u>Pos. No.</u>	<u>Name of Director</u>
<u>1</u>	<u>Collin Nguyen</u>
<u>2</u>	<u>Laura Dodson</u>
<u>3</u>	<u>Roger Stacey</u>
<u>4</u>	<u>Amanda James</u>
<u>5</u>	<u>Joe Teagarden</u>

3-44 (b) The terms of the initial directors expire June 1, 2017.

3-45 (c) Of the directors who replace an initial director, the
3-46 terms of directors serving in positions 1 through 3 expire June 1,
3-47 2019, and the terms of directors serving in positions 4 and 5 expire
3-48 June 1, 2021.

3-49 (d) Section 3938.052 does not apply to initial directors
3-50 under this section.

3-51 (e) This section expires September 1, 2021.

3-52 SUBCHAPTER C. POWERS AND DUTIES

3-53 Sec. 3938.101. GENERAL POWERS AND DUTIES. The district has
3-54 the powers and duties necessary to accomplish the purposes for
3-55 which the district is created.

3-56 Sec. 3938.102. IMPROVEMENT PROJECTS AND SERVICES. The
3-57 district may provide, design, construct, acquire, improve,
3-58 relocate, operate, maintain, or finance an improvement project or
3-59 service using money available to the district, or contract with a
3-60 governmental or private entity to provide, design, construct,
3-61 acquire, improve, relocate, operate, maintain, or finance an
3-62 improvement project or service authorized under this chapter or
3-63 Chapter 375, Local Government Code.

3-64 Sec. 3938.103. LOCATION OF IMPROVEMENT PROJECT. An
3-65 improvement project described by Section 3938.102 may be located:

3-66 (1) in the district; or

3-67 (2) in an area outside but adjacent to the district if
3-68 the project is for the purpose of extending a public infrastructure
3-69 improvement beyond the district's boundaries to a logical terminus.

4-1 Sec. 3938.104. DEVELOPMENT CORPORATION POWERS. The
4-2 district, using money available to the district, may exercise the
4-3 powers given to a development corporation under Chapter 505, Local
4-4 Government Code, including the power to own, operate, acquire,
4-5 construct, lease, improve, or maintain a project under that
4-6 chapter.

4-7 Sec. 3938.105. NONPROFIT CORPORATION. (a) The board by
4-8 resolution may authorize the creation of a nonprofit corporation to
4-9 assist and act for the district in implementing a project or
4-10 providing a service authorized by this chapter.

4-11 (b) The nonprofit corporation:
4-12 (1) has each power of and is considered to be a local
4-13 government corporation created under Subchapter D, Chapter 431,
4-14 Transportation Code; and

4-15 (2) may implement any project and provide any service
4-16 authorized by this chapter.

4-17 (c) The board shall appoint the board of directors of the
4-18 nonprofit corporation. The board of directors of the nonprofit
4-19 corporation shall serve in the same manner as the board of directors
4-20 of a local government corporation created under Subchapter D,
4-21 Chapter 431, Transportation Code, except that a board member is not
4-22 required to reside in the district.

4-23 Sec. 3938.106. AGREEMENTS; GRANTS. (a) As provided by
4-24 Chapter 375, Local Government Code, the district may make an
4-25 agreement with or accept a gift, grant, or loan from any person.

4-26 (b) The implementation of a project is a governmental
4-27 function or service for the purposes of Chapter 791, Government
4-28 Code.

4-29 Sec. 3938.107. LAW ENFORCEMENT SERVICES. To protect the
4-30 public interest, the district may contract with a qualified party,
4-31 including the county, to provide law enforcement services in the
4-32 district for a fee.

4-33 Sec. 3938.108. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
4-34 district may join and pay dues to a charitable or nonprofit
4-35 organization that performs a service or provides an activity
4-36 consistent with the furtherance of a district purpose.

4-37 Sec. 3938.109. ECONOMIC DEVELOPMENT. (a) The district may
4-38 engage in activities that accomplish the economic development
4-39 purposes of the district.

4-40 (b) The district may establish and provide for the
4-41 administration of one or more programs to promote state or local
4-42 economic development and to stimulate business and commercial
4-43 activity in the district, including programs to:

- 4-44 (1) make loans and grants of public money; and
- 4-45 (2) provide district personnel and services.

4-46 (c) The district may create economic development programs
4-47 and exercise the economic development powers that:

- 4-48 (1) Chapter 380, Local Government Code, provides to a
4-49 municipality; and
- 4-50 (2) Subchapter A, Chapter 1509, Government Code,
4-51 provides to a municipality.

4-52 Sec. 3938.110. REAL PROPERTY RESTRICTIONS. (a) The
4-53 district may adopt restrictions on the use of real property in the
4-54 district.

4-55 (b) The district may enforce restrictions on the use of real
4-56 property in the district in the manner provided for a municipal
4-57 utility district by Section 54.237, Water Code.

4-58 Sec. 3938.111. DESIGNATION OF SPECIAL ZONES. (a) The
4-59 district may designate all or any part of the area of the district,
4-60 as if the district were a municipality, as:

- 4-61 (1) a tax increment reinvestment zone under Chapter
4-62 311, Tax Code;
- 4-63 (2) a tax abatement reinvestment zone under Chapter
4-64 312, Tax Code; or
- 4-65 (3) an industrial district under Chapter 42, Local
4-66 Government Code.

4-67 (b) Section 311.006(b), Tax Code, does not apply to a tax
4-68 increment reinvestment zone created by the district.

4-69 (c) The district may submit to the Texas Economic

5-1 Development Bank a request for designation of a project or activity
5-2 in the district as an enterprise project in the manner provided for
5-3 a municipality to submit a request under Chapter 2303, Government
5-4 Code.

5-5 (d) If the county creates a tax increment reinvestment zone
5-6 under Chapter 311, Tax Code, the county, by contract with the
5-7 district, may grant money deposited in the tax increment fund to the
5-8 district to be used by the district for the purposes permitted for
5-9 money granted to a corporation under Section 380.002(b), Local
5-10 Government Code, including the right to pledge the money as
5-11 security for any bonds issued by the district for an improvement
5-12 project.

5-13 Sec. 3938.112. CONCURRENCE ON ADDITIONAL POWERS. If the
5-14 territory of the district is located in the corporate boundaries or
5-15 the extraterritorial jurisdiction of a municipality, the district
5-16 may not exercise a power granted to the district after the date the
5-17 district was created unless the governing body of the municipality
5-18 by resolution consents to the district's exercise of the power.

5-19 Sec. 3938.113. NO EMINENT DOMAIN POWER. The district may
5-20 not exercise the power of eminent domain.

5-21 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

5-22 Sec. 3938.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
5-23 board by resolution shall establish the number of signatures and
5-24 the procedure required for a disbursement or transfer of the
5-25 district's money.

5-26 Sec. 3938.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.
5-27 The district may acquire, construct, finance, operate, or maintain
5-28 an improvement project or service authorized under this chapter or
5-29 Chapter 375, Local Government Code, using any money available to
5-30 the district.

5-31 Sec. 3938.153. GENERAL POWERS REGARDING PAYMENT OF DISTRICT
5-32 BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or
5-33 secure the payment or repayment of any bond, note, or other
5-34 temporary or permanent obligation or reimbursement or other
5-35 contract with any person and the costs and expenses of the
5-36 establishment, administration, and operation of the district and
5-37 the district's costs or share of the costs or revenue of an
5-38 improvement project or district contractual obligation or
5-39 indebtedness by:

5-40 (1) the imposition of an ad valorem tax or sales and
5-41 use tax or an assessment, user fee, concession fee, or rental
5-42 charge; or

5-43 (2) any other revenue or resources of the district,
5-44 including revenues from a tax increment reinvestment zone.

5-45 Sec. 3938.154. PETITION REQUIRED FOR FINANCING SERVICES AND
5-46 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
5-47 service or improvement project with assessments under this chapter
5-48 unless a written petition requesting that service or improvement
5-49 has been filed with the board.

5-50 (b) The petition must be signed by the owners of a majority
5-51 of the assessed value of real property in the district subject to
5-52 assessment according to the most recent certified tax appraisal
5-53 roll for the county.

5-54 Sec. 3938.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
5-55 The board by resolution may impose and collect an assessment for any
5-56 purpose authorized by this chapter in all or any part of the
5-57 district.

5-58 (b) An assessment, a reassessment, or an assessment
5-59 resulting from an addition to or correction of the assessment roll
5-60 by the district, penalties and interest on an assessment or
5-61 reassessment, an expense of collection, and reasonable attorney's
5-62 fees incurred by the district:

5-63 (1) are a first and prior lien against the property
5-64 assessed;

5-65 (2) are superior to any other lien or claim other than
5-66 a lien or claim for county, school district, or municipal ad valorem
5-67 taxes; and

5-68 (3) are the personal liability of and a charge against
5-69 the owners of the property even if the owners are not named in the

6-1 assessment proceedings.

6-2 (c) The lien is effective from the date of the board's
6-3 resolution imposing the assessment until the date the assessment is
6-4 paid. The board may enforce the lien in the same manner that the
6-5 board may enforce an ad valorem tax lien against real property.

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

6-10 Sec. 3938.156. STORM WATER USER CHARGES. The district may
6-11 establish user charges related to the operation of storm water
6-12 facilities, including the regulation of storm water for the
6-13 protection of water quality in the district.

6-14 Sec. 3938.157. NONPOTABLE WATER USER CHARGES. The district
6-15 may establish user charges for the use of nonpotable water for
6-16 irrigation purposes, subject to approval of the governing body of
6-17 the county.

6-18 Sec. 3938.158. COSTS FOR IMPROVEMENT PROJECTS. The
6-19 district may undertake separately or jointly with other persons,
6-20 including the county, all or part of the cost of an improvement
6-21 project, including an improvement project:

6-22 (1) for improving, enhancing, and supporting public
6-23 safety and security, fire protection and emergency medical
6-24 services, and law enforcement in or adjacent to the district; or

6-25 (2) that confers a general benefit on the entire
6-26 district or a special benefit on a definable part of the district.

6-27 Sec. 3938.159. TAX AND ASSESSMENT ABATEMENTS. The district
6-28 may designate reinvestment zones and may grant abatements of a tax
6-29 or assessment on property in the zones.

6-30 SUBCHAPTER E. TAXES AND BONDS

6-31 Sec. 3938.201. TAX ABATEMENT. The district may enter into a
6-32 tax abatement agreement in accordance with the general laws of this
6-33 state authorizing and applicable to a tax abatement agreement by a
6-34 municipality.

6-35 Sec. 3938.202. PROPERTY TAX AUTHORIZED. (a) The district
6-36 may impose an ad valorem tax on all taxable property in the district
6-37 to:

6-38 (1) pay for an improvement project of the types
6-39 authorized by Section 52(b), Article III, and Section 59, Article
6-40 XVI, Texas Constitution; or

6-41 (2) secure the payment of bonds issued for a purpose
6-42 described by Subdivision (1).

6-43 (b) The district may not impose an ad valorem tax to pay for
6-44 an improvement project under this chapter unless the imposition is
6-45 approved by the voters of the district voting at an election held
6-46 for that purpose. The board may call an election to approve the
6-47 imposition of an ad valorem tax to pay for an improvement project
6-48 under this chapter only if the board receives a petition requesting
6-49 the election signed by:

6-50 (1) more than 51 percent of the record owners of real
6-51 property in the district subject to taxation; or

6-52 (2) owners representing more than 51 percent of the
6-53 appraised value of real property in the district subject to
6-54 taxation, as determined by the tax rolls of the appraisal district.

6-55 Sec. 3938.203. SALES AND USE TAX. (a) The district may
6-56 impose a sales and use tax if authorized by a majority of the voters
6-57 of the district voting at an election called for that purpose.
6-58 Revenue from the tax may be used for any purpose for which ad
6-59 valorem tax revenue of the district may be used.

6-60 (b) The district may not adopt a sales and use tax if as a
6-61 result of the adoption of the tax the combined rate of all sales and
6-62 use taxes imposed by the district and other political subdivisions
6-63 of this state having territory in the district would exceed two
6-64 percent at any location in the district.

6-65 (c) If the voters of the district approve the adoption of
6-66 the tax at an election held on the same election date on which
6-67 another political subdivision adopts a sales and use tax or
6-68 approves an increase in the rate of its sales and use tax and as a
6-69 result the combined rate of all sales and use taxes imposed by the

7-1 district and other political subdivisions of this state having
7-2 territory in the district would exceed two percent at any location
7-3 in the district, the election to adopt a sales and use tax under
7-4 this chapter has no effect.

7-5 Sec. 3938.204. BONDS AND OTHER OBLIGATIONS. (a) The
7-6 district may issue, by public or private sale, bonds, notes, or
7-7 other obligations payable wholly or partly from ad valorem taxes,
7-8 sales and use taxes, or assessments in the manner provided by
7-9 Subchapter J, Chapter 375, Local Government Code.

7-10 (b) If the territory of the district is not located in the
7-11 corporate boundaries or extraterritorial jurisdiction of a
7-12 municipality, the district is not required to comply with Section
7-13 375.207, Local Government Code, and may issue a bond or other
7-14 obligation under Subchapter J, Chapter 375, Local Government Code,
7-15 with the written consent of directors, as provided by Section
7-16 375.071, Local Government Code.

7-17 (c) In exercising the district's borrowing power, the
7-18 district may issue a bond or other obligation in the form of a bond,
7-19 note, certificate of participation or other instrument evidencing a
7-20 proportionate interest in payments to be made by the district, or
7-21 other type of obligation.

7-22 (d) In addition to the sources of money described by
7-23 Subchapter J, Chapter 375, Local Government Code, district bonds
7-24 may be secured and made payable wholly or partly by a pledge of any
7-25 part of the money the district receives from improvement revenue or
7-26 from any other source.

7-27 Sec. 3938.205. BOND MATURITY. Bonds may mature not more
7-28 than 40 years from their date of issue.

7-29 Sec. 3938.206. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
7-30 the time bonds or other obligations payable wholly or partly from ad
7-31 valorem taxes are issued:

7-32 (1) the board shall impose a continuing direct annual
7-33 ad valorem tax for each year that all or part of the bonds are
7-34 outstanding; and

7-35 (2) the district annually shall impose an ad valorem
7-36 tax on all taxable property in the district in an amount sufficient
7-37 to:

7-38 (A) pay the interest on the bonds or other
7-39 obligations as the interest becomes due; and

7-40 (B) create a sinking fund for the payment of the
7-41 principal of the bonds or other obligations when due or the
7-42 redemption price at any earlier required redemption date.

7-43 SUBCHAPTER F. DISSOLUTION

7-44 Sec. 3938.251. DISSOLUTION BY ORDINANCE. (a) A
7-45 municipality that includes territory of the district, in the
7-46 corporate boundaries or extraterritorial jurisdiction of the
7-47 municipality, by ordinance may dissolve the district.

7-48 (b) The municipality may not dissolve the district until the
7-49 district's outstanding debt or contractual obligations that are
7-50 payable from ad valorem taxes have been repaid or discharged, or the
7-51 municipality has affirmatively assumed the obligation to pay the
7-52 outstanding debt from municipal revenue.

7-53 Sec. 3938.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

7-54 (a) If the dissolved district has bonds or other obligations
7-55 outstanding secured by and payable from assessments or other
7-56 revenue, other than ad valorem taxes, the municipality that
7-57 dissolves the district shall succeed to the rights and obligations
7-58 of the district regarding enforcement and collection of the
7-59 assessments or other revenue.

7-60 (b) The municipality shall have and exercise all district
7-61 powers to enforce and collect the assessments or other revenue to
7-62 pay:

7-63 (1) the bonds or other obligations when due and
7-64 payable according to their terms; or

7-65 (2) special revenue or assessment bonds or other
7-66 obligations issued by the municipality to refund the outstanding
7-67 bonds or obligations.

7-68 Sec. 3938.253. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
7-69 If a municipality dissolves the district, the municipality assumes,

8-1 subject to the appropriation and availability of funds, the
8-2 obligations of the district, including any bonds or other debt
8-3 payable from assessments or other district revenue.

8-4 (b) If a municipality dissolves the district, the board
8-5 shall transfer ownership of all district property to the
8-6 municipality.

8-7 SECTION 2. The Grand Lake Estates Management District
8-8 initially includes all the territory contained in the following
8-9 area: Tract 1 is +/- 200.33 acres within the J. Sealy Survey
8-10 Abstract (No. 758) and A. Hodge Survey Abstract (No. 18), and
8-11 situated west of the Grand Lake Estates Subdivision Section 11
8-12 (west of intersection of Guinevere Ln and Kirsten's Ct) and south of
8-13 the Grand Lake Estates Subdivision Sections 6 and 8, in southwest
8-14 Montgomery County with point of beginning being south Right-Of-Way
8-15 (ROW) of Guinevere Ln and east boundary of 200.33 acre tract (A0758
8-16 - Sealy John, TRACT 1-A (191.211 AC), A0018 HODGE ARCHIBALD, TRACT
8-17 3A-1 (9.119 AC), ACRES 200.33);
8-18 Then south along east boundary of said 200.33 acre tract to
8-19 southeast corner of said tract;
8-20 Then west along south boundary of said 200.33 acre tract to
8-21 southwest corner of said tract;
8-22 Then north along west boundary of said 200.33 acre tract to
8-23 northwest corner of said tract;
8-24 Then east along north boundary of said 200.33 acre tract to
8-25 northeast corner of said tract;
8-26 Then south along east boundary of said 200.33 acre tract to south
8-27 ROW of Guinevere Ln and point of beginning of +/-200.33 acre tract;

8-28 SECTION 3. (a) The legal notice of the intention to
8-29 introduce this Act, setting forth the general substance of this
8-30 Act, has been published as provided by law, and the notice and a
8-31 copy of this Act have been furnished to all persons, agencies,
8-32 officials, or entities to which they are required to be furnished
8-33 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
8-34 Government Code.

8-35 (b) The governor, one of the required recipients, has
8-36 submitted the notice and Act to the Texas Commission on
8-37 Environmental Quality.

8-38 (c) The Texas Commission on Environmental Quality has filed
8-39 its recommendations relating to this Act with the governor,
8-40 lieutenant governor, and speaker of the house of representatives
8-41 within the required time.

8-42 (d) The general law relating to consent by political
8-43 subdivisions to the creation of districts with conservation,
8-44 reclamation, and road powers and the inclusion of land in those
8-45 districts has been complied with.

8-46 (e) All requirements of the constitution and laws of this
8-47 state and the rules and procedures of the legislature with respect
8-48 to the notice, introduction, and passage of this Act have been
8-49 fulfilled and accomplished.

8-50 SECTION 4. This Act takes effect immediately if it receives
8-51 a vote of two-thirds of all the members elected to each house, as
8-52 provided by Section 39, Article III, Texas Constitution. If this
8-53 Act does not receive the vote necessary for immediate effect, this
8-54 Act takes effect September 1, 2015.

8-55 * * * * *