

1-1 By: Bailes (Senate Sponsor - Nichols) H.B. No. 4653
 1-2 (In the Senate - Received from the House May 6, 2019;
 1-3 May 6, 2019, read first time and referred to Committee on
 1-4 Intergovernmental Relations; May 19, 2019, reported adversely,
 1-5 with favorable Committee Substitute by the following vote: Yeas 7,
 1-6 Nays 0; May 19, 2019, 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. 4653 By: Schwertner

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

1-19 relating to the creation of Tarkington Management District No. 1 of
 1-20 Liberty County; providing authority to issue bonds; providing
 1-21 authority 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 3973 to read as follows:

1-25 CHAPTER 3973. TARKINGTON MANAGEMENT DISTRICT NO. 1 OF LIBERTY
 1-26 COUNTY

1-27 SUBCHAPTER A. GENERAL PROVISIONS

1-28 Sec. 3973.0101. DEFINITIONS. In this chapter:

1-29 (1) "Board" means the district's board of directors.

1-30 (2) "County" means Liberty County.

1-31 (3) "Director" means a board member.

1-32 (4) "District" means the Tarkington Management
 1-33 District No. 1 of Liberty County.

1-34 Sec. 3973.0102. NATURE OF DISTRICT. The district is a
 1-35 special district created under Section 59, Article XVI, Texas
 1-36 Constitution.

1-37 Sec. 3973.0103. PURPOSE; DECLARATION OF INTENT. (a) The
 1-38 creation of the district is essential to accomplish the purposes of
 1-39 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
 1-40 Texas Constitution, and other public purposes stated in this
 1-41 chapter. By creating the district and in authorizing the county and
 1-42 other political subdivisions to contract with the district, the
 1-43 legislature has established a program to accomplish the public
 1-44 purposes set out in Section 52-a, Article III, Texas Constitution.

1-45 (b) The creation of the district is necessary to promote,
 1-46 develop, encourage, and maintain employment, commerce,
 1-47 transportation, housing, tourism, recreation, the arts,
 1-48 entertainment, economic development, safety, and the public
 1-49 welfare in the district.

1-50 (c) This chapter and the creation of the district may not be
 1-51 interpreted to relieve the county from providing the level of
 1-52 services provided as of the effective date of the Act enacting this
 1-53 chapter to the area in the district. The district is created to
 1-54 supplement and not to supplant county services provided in the
 1-55 district.

1-56 Sec. 3973.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

1-57 (a) The district is created to serve a public use and benefit.

1-58 (b) All land and other property included in the district
 1-59 will benefit from the improvements and services to be provided by
 1-60 the district under powers conferred by Sections 52 and 52-a,

2-1 Article III, and Section 59, Article XVI, Texas Constitution, and
2-2 other powers granted under this chapter.

2-3 (c) The creation of the district is in the public interest
2-4 and is essential to further the public purposes of:

2-5 (1) developing and diversifying the economy of the
2-6 state;

2-7 (2) eliminating unemployment and underemployment; and

2-8 (3) developing or expanding transportation and
2-9 commerce.

2-10 (d) The district will:

2-11 (1) promote the health, safety, and general welfare of
2-12 residents, employers, potential employees, employees, visitors,
2-13 and consumers in the district, and of the public;

2-14 (2) provide needed funding for the district to
2-15 preserve, maintain, and enhance the economic health and vitality of
2-16 the district territory as a community and business center;

2-17 (3) promote the health, safety, welfare, and enjoyment
2-18 of the public by providing pedestrian ways and by landscaping and
2-19 developing certain areas in the district, which are necessary for
2-20 the restoration, preservation, and enhancement of scenic beauty;
2-21 and

2-22 (4) provide for water, wastewater, drainage, road,
2-23 transportation, and recreational facilities for the district.

2-24 (e) Pedestrian ways along or across a street, whether at
2-25 grade or above or below the surface, and street lighting, street
2-26 landscaping, parking, and street art objects are parts of and
2-27 necessary components of a street and are considered to be a street
2-28 or road improvement.

2-29 (f) The district will not act as the agent or
2-30 instrumentality of any private interest even though the district
2-31 will benefit many private interests as well as the public.

2-32 Sec. 3973.0105. INITIAL DISTRICT TERRITORY. (a) The
2-33 district is initially composed of the territory described by
2-34 Section 2 of the Act enacting this chapter.

2-35 (b) The boundaries and field notes contained in Section 2 of
2-36 the Act enacting this chapter form a closure. A mistake in the
2-37 field notes or in copying the field notes in the legislative process
2-38 does not affect the district's:

2-39 (1) organization, existence, or validity;

2-40 (2) right to issue any type of bonds for the purposes
2-41 for which the district is created or to pay the principal of and
2-42 interest on the bonds;

2-43 (3) right to impose or collect an assessment or tax; or

2-44 (4) legality or operation.

2-45 Sec. 3973.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.
2-46 All or any part of the area of the district is eligible to be
2-47 included in:

2-48 (1) a tax increment reinvestment zone created under
2-49 Chapter 311, Tax Code;

2-50 (2) a tax abatement reinvestment zone created under
2-51 Chapter 312, Tax Code;

2-52 (3) an enterprise zone created under Chapter 2303,
2-53 Government Code; or

2-54 (4) an industrial district created under Chapter 42,
2-55 Local Government Code.

2-56 Sec. 3973.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT
2-57 DISTRICTS LAW. Except as otherwise provided by this chapter,
2-58 Chapter 375, Local Government Code, applies to the district.

2-59 Sec. 3973.0108. CONSTRUCTION OF CHAPTER. This chapter
2-60 shall be liberally construed in conformity with the findings and
2-61 purposes stated in this chapter.

2-62 Sec. 3973.0109. CONFLICTS OF LAW. This chapter prevails
2-63 over any provision of general law, including a provision of Chapter
2-64 375, Local Government Code, or Chapter 49, Water Code, that is in
2-65 conflict or inconsistent with this chapter.

2-66 SUBCHAPTER B. BOARD OF DIRECTORS

2-67 Sec. 3973.0201. GOVERNING BODY; TERMS. (a) The district is
2-68 governed by a board of five directors elected or appointed as
2-69 provided by this chapter and Subchapter D, Chapter 49, Water Code.

4-1 (1) a municipality or county that will operate and
4-2 maintain the road if the municipality or county has approved the
4-3 plans and specifications of the road project; or

4-4 (2) the state if the state will operate and maintain
4-5 the road and the Texas Transportation Commission has approved the
4-6 plans and specifications of the road project.

4-7 (b) Except as provided by Subsection (c), the district shall
4-8 operate and maintain a road project authorized by Section 3973.0303
4-9 that the district implements and does not convey to a municipality,
4-10 a county, or this state under Subsection (a).

4-11 (c) The district may agree in writing with a municipality, a
4-12 county, or this state to assign operation and maintenance duties to
4-13 the district, the municipality, the county, or this state in a
4-14 manner other than the manner described in Subsections (a) and (b).

4-15 Sec. 3973.0305. NONPROFIT CORPORATION. (a) The board by
4-16 resolution may authorize the creation of a nonprofit corporation to
4-17 assist and act for the district in implementing a project or
4-18 providing a service authorized by this chapter.

4-19 (b) The nonprofit corporation:

4-20 (1) has each power of and is considered to be a local
4-21 government corporation created under Subchapter D, Chapter 431,
4-22 Transportation Code; and

4-23 (2) may implement any project and provide any service
4-24 authorized by this chapter.

4-25 (c) The board shall appoint the board of directors of the
4-26 nonprofit corporation. The board of directors of the nonprofit
4-27 corporation shall serve in the same manner as the board of directors
4-28 of a local government corporation created under Subchapter D,
4-29 Chapter 431, Transportation Code, except that a board member is not
4-30 required to reside in the district.

4-31 Sec. 3973.0306. AGREEMENTS; GRANTS. (a) As provided by
4-32 Chapter 375, Local Government Code, the district may make an
4-33 agreement with or accept a gift, grant, or loan from any person.

4-34 (b) The implementation of a project is a governmental
4-35 function or service for the purposes of Chapter 791, Government
4-36 Code.

4-37 Sec. 3973.0307. LAW ENFORCEMENT SERVICES. To protect the
4-38 public interest, the district may contract with a qualified party,
4-39 including the county, to provide law enforcement services in the
4-40 district.

4-41 Sec. 3973.0308. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.
4-42 The district may join and pay dues to a charitable or nonprofit
4-43 organization that performs a service or provides an activity
4-44 consistent with the furtherance of a district purpose.

4-45 Sec. 3973.0309. ECONOMIC DEVELOPMENT. (a) The district
4-46 may engage in activities that accomplish the economic development
4-47 purposes of the district.

4-48 (b) The district may establish and provide for the
4-49 administration of one or more programs to promote state or local
4-50 economic development and to stimulate business and commercial
4-51 activity in the district, including programs to:

4-52 (1) make loans and grants of public money; and

4-53 (2) provide district personnel and services.

4-54 (c) The district may create economic development programs
4-55 and exercise the economic development powers provided to
4-56 municipalities by:

4-57 (1) Chapter 380, Local Government Code; and

4-58 (2) Subchapter A, Chapter 1509, Government Code.

4-59 Sec. 3973.0310. PARKING FACILITIES. (a) The district may
4-60 acquire, lease as lessor or lessee, construct, develop, own,
4-61 operate, and maintain parking facilities or a system of parking
4-62 facilities, including lots, garages, parking terminals, or other
4-63 structures or accommodations for parking motor vehicles off the
4-64 streets and related appurtenances.

4-65 (b) The district's parking facilities serve the public
4-66 purposes of the district and are owned, used, and held for a public
4-67 purpose even if leased or operated by a private entity for a term of
4-68 years.

4-69 (c) The district's parking facilities are parts of and

5-1 necessary components of a street and are considered to be a street
 5-2 or road improvement.
 5-3 (d) The development and operation of the district's parking
 5-4 facilities may be considered an economic development program.
 5-5 Sec. 3973.0311. NO TOLL ROADS. The district may not
 5-6 construct, acquire, maintain, or operate a toll road.
 5-7 Sec. 3973.0312. RAIL FACILITIES. The district may
 5-8 construct, acquire, improve, maintain, and operate rail facilities
 5-9 and improvements in aid of those facilities.
 5-10 Sec. 3973.0313. ANNEXATION OR EXCLUSION OF LAND. (a) The
 5-11 district may annex land as provided by Subchapter J, Chapter 49,
 5-12 Water Code.
 5-13 (b) The district may exclude land as provided by Subchapter
 5-14 J, Chapter 49, Water Code. Section 375.044(b), Local Government
 5-15 Code, does not apply to the district.
 5-16 Sec. 3973.0314. DIVISION OF DISTRICT. (a) The district may
 5-17 be divided into two or more new districts only if the district:
 5-18 (1) has no outstanding bonded debt; and
 5-19 (2) is not imposing ad valorem taxes.
 5-20 (b) This chapter applies to any new district created by the
 5-21 division of the district, and a new district has all the powers and
 5-22 duties of the district.
 5-23 (c) Any new district created by the division of the district
 5-24 may, at the time the new district is created, contain only:
 5-25 (1) land within the area described by Section 2 of the
 5-26 Act enacting this chapter; or
 5-27 (2) any land adjacent to the area described by Section
 5-28 2 of the Act enacting this chapter if that adjacent land is:
 5-29 (A) not within the extraterritorial jurisdiction
 5-30 of a city; or
 5-31 (B) within the extraterritorial jurisdiction of
 5-32 a city and that adjacent land has been approved for inclusion in the
 5-33 district under an ordinance or resolution adopted by the city
 5-34 consenting to the inclusion.
 5-35 (d) The board, on its own motion or on receipt of a petition
 5-36 signed by the owner or owners of a majority of the assessed value of
 5-37 the real property in the district, may adopt an order dividing the
 5-38 district.
 5-39 (e) The board may adopt an order dividing the district
 5-40 before or after the date the board holds an election under Section
 5-41 3973.0204 to elect the district's permanent directors.
 5-42 (f) An order dividing the district must:
 5-43 (1) name each new district;
 5-44 (2) include the metes and bounds description of the
 5-45 territory of each new district;
 5-46 (3) appoint temporary directors for each new district;
 5-47 and
 5-48 (4) provide for the division of assets and liabilities
 5-49 between or among the new districts.
 5-50 (g) On or before the 30th day after the date of adoption of
 5-51 an order dividing the district, the district shall file the order
 5-52 with the Texas Commission on Environmental Quality and record the
 5-53 order in the real property records of each county in which the
 5-54 district is located.
 5-55 (h) Any new district created by the division of the district
 5-56 shall hold a permanent directors' election as required by Section
 5-57 3973.0204.
 5-58 (i) Municipal consent by a city is not required for the
 5-59 creation of any new district created under this section.
 5-60 (j) Any new district created by the division of the district
 5-61 must hold an election as required by this chapter to obtain voter
 5-62 approval before the district may impose a maintenance tax or issue
 5-63 bonds payable wholly or partly from ad valorem taxes or sales and
 5-64 use taxes.
 5-65 (k) If the voters of a new district do not confirm the
 5-66 creation of the new district, the assets, obligations, territory,
 5-67 and governance of the new district revert to that of the original
 5-68 district.
 5-69 Sec. 3973.0315. NO EMINENT DOMAIN POWER. The district may

6-1 not exercise the power of eminent domain.

6-2 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

6-3 Sec. 3973.0401. DISBURSEMENTS AND TRANSFERS OF MONEY. The
6-4 board by resolution shall establish the number of directors'
6-5 signatures and the procedure required for a disbursement or
6-6 transfer of district money.

6-7 Sec. 3973.0402. MONEY USED FOR IMPROVEMENTS OR SERVICES.
6-8 The district may acquire, construct, finance, operate, or maintain
6-9 any improvement or service authorized under this chapter or Chapter
6-10 375, Local Government Code, using any money available to the
6-11 district.

6-12 Sec. 3973.0403. PETITION REQUIRED FOR FINANCING SERVICES
6-13 AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
6-14 service or improvement project with assessments under this chapter
6-15 unless a written petition requesting that service or improvement
6-16 has been filed with the board.

6-17 (b) A petition filed under Subsection (a) must be signed by
6-18 the owners of a majority of the assessed value of real property in
6-19 the district subject to assessment according to the most recent
6-20 certified tax appraisal roll for the county.

6-21 Sec. 3973.0404. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
6-22 The board by resolution may impose and collect an assessment for any
6-23 purpose authorized by this chapter in all or any part of the
6-24 district.

6-25 (b) An assessment, a reassessment, or an assessment
6-26 resulting from an addition to or correction of the assessment roll
6-27 by the district, penalties and interest on an assessment or
6-28 reassessment, an expense of collection, and reasonable attorney's
6-29 fees incurred by the district:

6-30 (1) are a first and prior lien against the property
6-31 assessed;

6-32 (2) are superior to any other lien or claim other than
6-33 a lien or claim for county, school district, or municipal ad valorem
6-34 taxes; and

6-35 (3) are the personal liability of and a charge against
6-36 the owners of the property even if the owners are not named in the
6-37 assessment proceedings.

6-38 (c) The lien is effective from the date of the board's
6-39 resolution imposing the assessment until the date the assessment is
6-40 paid. The board may enforce the lien in the same manner that the
6-41 board may enforce an ad valorem tax lien against real property.

6-42 (d) The board may make a correction to or deletion from the
6-43 assessment roll that does not increase the amount of assessment of
6-44 any parcel of land without providing notice and holding a hearing in
6-45 the manner required for additional assessments.

6-46 Sec. 3973.0405. RESIDENTIAL PROPERTY NOT EXEMPT. Section
6-47 375.161, Local Government Code, does not apply to a tax authorized
6-48 or approved by the voters of the district or a required payment for
6-49 a service provided by the district, including water and sewer
6-50 services.

6-51 Sec. 3973.0406. TAX AND ASSESSMENT ABATEMENTS. The
6-52 district may designate reinvestment zones and may grant abatements
6-53 of district taxes or assessments on property in the zones.

6-54 SUBCHAPTER E. TAXES AND BONDS

6-55 Sec. 3973.0501. ELECTIONS REGARDING TAXES AND BONDS. (a)
6-56 The district may issue, without an election, bonds, notes, and
6-57 other obligations secured by:

6-58 (1) revenue other than ad valorem taxes or sales and
6-59 use taxes; or

6-60 (2) contract payments described by Section 3973.0503.

6-61 (b) The district must hold an election in the manner
6-62 provided by Subchapter L, Chapter 375, Local Government Code, to
6-63 obtain voter approval before the district may impose an ad valorem
6-64 tax or issue bonds payable from ad valorem taxes.

6-65 (c) Section 375.243, Local Government Code, does not apply
6-66 to the district.

6-67 (d) All or any part of any facilities or improvements that
6-68 may be acquired by a district by the issuance of its bonds may be
6-69 submitted as a single proposition or as several propositions to be

7-1 voted on at the election.

7-2 Sec. 3973.0502. OPERATION AND MAINTENANCE TAX. (a) If
 7-3 authorized by a majority of the district voters voting at an
 7-4 election held in accordance with Section 3973.0501, the district
 7-5 may impose an operation and maintenance tax on taxable property in
 7-6 the district in accordance with Section 49.107, Water Code, for any
 7-7 district purpose, including to:

7-8 (1) maintain and operate the district;

7-9 (2) construct or acquire improvements; or

7-10 (3) provide a service.

7-11 (b) The board shall determine the tax rate. The rate may not
 7-12 exceed the rate approved at the election.

7-13 (c) Section 49.107(h), Water Code, does not apply to the
 7-14 district.

7-15 Sec. 3973.0503. CONTRACT TAXES. (a) In accordance with
 7-16 Section 49.108, Water Code, the district may impose a tax other than
 7-17 an operation and maintenance tax and use the revenue derived from
 7-18 the tax to make payments under a contract after the provisions of
 7-19 the contract have been approved by a majority of the district voters
 7-20 voting at an election held for that purpose.

7-21 (b) A contract approved by the district voters may contain a
 7-22 provision stating that the contract may be modified or amended by
 7-23 the board without further voter approval.

7-24 Sec. 3973.0504. AUTHORITY TO BORROW MONEY AND TO ISSUE
 7-25 BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on
 7-26 terms determined by the board. Section 375.205, Local Government
 7-27 Code, does not apply to a loan, line of credit, or other borrowing
 7-28 from a bank or financial institution secured by revenue other than
 7-29 ad valorem taxes.

7-30 (b) The district may issue bonds, notes, or other
 7-31 obligations payable wholly or partly from ad valorem taxes,
 7-32 assessments, impact fees, revenue, contract payments, grants, or
 7-33 other district money, or any combination of those sources of money,
 7-34 to pay for any authorized district purpose.

7-35 Sec. 3973.0505. TAXES FOR BONDS. At the time the district
 7-36 issues bonds payable wholly or partly from ad valorem taxes, the
 7-37 board shall provide for the annual imposition of a continuing
 7-38 direct annual ad valorem tax, without limit as to rate or amount,
 7-39 for each year that all or part of the bonds are outstanding as
 7-40 required and in the manner provided by Sections 54.601 and 54.602,
 7-41 Water Code.

7-42 Sec. 3973.0506. BONDS FOR ROAD PROJECTS. At the time of
 7-43 issuance, the total principal amount of bonds or other obligations
 7-44 issued or incurred to finance road projects and payable from ad
 7-45 valorem taxes may not exceed one-fourth of the assessed value of the
 7-46 real property in the district.

7-47 SUBCHAPTER F. SALES AND USE TAX

7-48 Sec. 3973.0601. APPLICABILITY OF CERTAIN TAX CODE
 7-49 PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition,
 7-50 computation, administration, enforcement, and collection of the
 7-51 sales and use tax authorized by this subchapter except to the extent
 7-52 Chapter 321, Tax Code, is inconsistent with this chapter.

7-53 (b) A reference in Chapter 321, Tax Code, to a municipality
 7-54 or the governing body of a municipality is a reference to the
 7-55 district or the board, respectively.

7-56 Sec. 3973.0602. ELECTION; ADOPTION OF TAX. (a) The
 7-57 district may adopt a sales and use tax if authorized by a majority
 7-58 of the voters of the district voting at an election held for that
 7-59 purpose.

7-60 (b) The board by order may call an election to authorize the
 7-61 adoption of the sales and use tax. The election may be held on any
 7-62 uniform election date and in conjunction with any other district
 7-63 election.

7-64 (c) The ballot shall be printed to provide for voting for or
 7-65 against the proposition: "Authorization of a sales and use tax in
 7-66 the Tarkington Management District No. 1 of Liberty County at a
 7-67 rate not to exceed ____ percent" (insert rate of one or more
 7-68 increments of one-eighth of one percent).

7-69 Sec. 3973.0603. SALES AND USE TAX RATE. (a) On or after the

8-1 date the results are declared of an election held under Section
 8-2 3973.0602, at which the voters approved imposition of the tax
 8-3 authorized by this subchapter, the board shall determine and adopt
 8-4 by resolution or order the initial rate of the tax, which must be in
 8-5 one or more increments of one-eighth of one percent.

8-6 (b) After the election held under Section 3973.0602, the
 8-7 board may increase or decrease the rate of the tax by one or more
 8-8 increments of one-eighth of one percent.

8-9 (c) The initial rate of the tax or any rate resulting from
 8-10 subsequent increases or decreases may not exceed the lesser of:

8-11 (1) the maximum rate authorized by the district voters
 8-12 at the election held under Section 3973.0602; or

8-13 (2) a rate that, when added to the rates of all sales
 8-14 and use taxes imposed by other political subdivisions with
 8-15 territory in the district, would result in the maximum combined
 8-16 rate prescribed by Section 321.101(f), Tax Code, at any location in
 8-17 the district.

8-18 Sec. 3973.0604. TAX AFTER MUNICIPAL ANNEXATION. (a) This
 8-19 section applies to the district after a municipality annexes part
 8-20 of the territory in the district and imposes the municipality's
 8-21 sales and use tax in the annexed territory.

8-22 (b) If at the time of annexation the district has
 8-23 outstanding debt or other obligations payable wholly or partly from
 8-24 district sales and use tax revenue, Section 321.102(g), Tax Code,
 8-25 applies to the district.

8-26 (c) If at the time of annexation the district does not have
 8-27 outstanding debt or other obligations payable wholly or partly from
 8-28 district sales and use tax revenue, the district may exclude the
 8-29 annexed territory from the district, if the district has no
 8-30 outstanding debt or other obligations payable from any source.

8-31 Sec. 3973.0605. NOTIFICATION OF RATE CHANGE. The board
 8-32 shall notify the comptroller of any changes made to the tax rate
 8-33 under this subchapter in the same manner the municipal secretary
 8-34 provides notice to the comptroller under Section 321.405(b), Tax
 8-35 Code.

8-36 Sec. 3973.0606. USE OF REVENUE. Revenue from the sales and
 8-37 use tax imposed under this subchapter is for the use and benefit of
 8-38 the district and may be used for any district purpose. The district
 8-39 may pledge all or part of the revenue to the payment of bonds,
 8-40 notes, or other obligations, and that pledge of revenue may be in
 8-41 combination with other revenue, including tax revenue, available to
 8-42 the district.

8-43 Sec. 3973.0607. ABOLITION OF TAX. (a) Except as provided
 8-44 by Subsection (b), the board may abolish the tax imposed under this
 8-45 subchapter without an election.

8-46 (b) The board may not abolish the tax imposed under this
 8-47 subchapter if the district has outstanding debt secured by the tax,
 8-48 and repayment of the debt would be impaired by the abolition of the
 8-49 tax.

8-50 (c) If the board abolishes the tax, the board shall notify
 8-51 the comptroller of that action in the same manner the municipal
 8-52 secretary provides notice to the comptroller under Section
 8-53 321.405(b), Tax Code.

8-54 (d) If the board abolishes the tax or decreases the tax rate
 8-55 to zero, a new election to authorize a sales and use tax must be held
 8-56 under Section 3973.0602 before the district may subsequently impose
 8-57 the tax.

8-58 SUBCHAPTER G. DEFINED AREAS

8-59 Sec. 3973.0701. AUTHORITY TO ESTABLISH DEFINED AREAS OR
 8-60 DESIGNATED PROPERTY. The district may define areas or designate
 8-61 certain property of the district to pay for improvements,
 8-62 facilities, or services that primarily benefit that area or
 8-63 property and do not generally and directly benefit the district as a
 8-64 whole.

8-65 Sec. 3973.0702. PROCEDURE FOR ELECTION. (a) Before the
 8-66 district may impose an ad valorem tax or issue bonds payable from ad
 8-67 valorem taxes of the defined area or designated property, the board
 8-68 shall hold an election in the defined area or in the designated
 8-69 property only.

9-1 (b) The board may submit the issues to the voters on the same
9-2 ballot to be used in another election.

9-3 Sec. 3973.0703. DECLARING RESULT AND ISSUING ORDER. (a) If
9-4 a majority of the voters voting at the election approve the
9-5 proposition or propositions, the board shall declare the results
9-6 and, by order, shall establish the defined area and describe it by
9-7 metes and bounds or designate the specific property.

9-8 (b) A court may not review the board's order except on the
9-9 ground of fraud, palpable error, or arbitrary and confiscatory
9-10 abuse of discretion.

9-11 Sec. 3973.0704. TAXES FOR SERVICES, IMPROVEMENTS, AND
9-12 FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter
9-13 approval and adoption of the order described by Section 3973.0703,
9-14 the district may apply separately, differently, equitably, and
9-15 specifically its taxing power and lien authority to the defined
9-16 area or designated property to provide money to construct,
9-17 administer, maintain, and operate services, improvements, and
9-18 facilities that primarily benefit the defined area or designated
9-19 property.

9-20 Sec. 3973.0705. ISSUANCE OF BONDS FOR DEFINED AREA OR
9-21 DESIGNATED PROPERTY. After the order under Section 3973.0703 is
9-22 adopted, the district may issue bonds to provide for any land,
9-23 improvements, facilities, plants, equipment, and appliances for
9-24 the defined area or designated property.

9-25 Sec. 3973.0706. ADDITION OR EXCLUSION OF LAND IN DEFINED
9-26 AREA. The district may add or exclude land from the defined areas
9-27 in the same manner the district may add or exclude land from the
9-28 district.

9-29 SECTION 2. The Tarkington Management District No. 1 of
9-30 Liberty County initially includes all territory contained in the
9-31 following area:

9-32 807.65 acres of land, situated in the Hugh Means Survey, Abstract
9-33 78, Liberty County, Texas, and being a part of that certain 1846.69
9-34 acre tract described in a Deed from Southland Timberlands V, L.P. to
9-35 Tarkington Realty, Ltd., recorded in Liberty County Clerk's File
9-36 2006008680, said 807.65 acres being more particularly described as
9-37 follows:

9-38 BEGINNING at a 3 inch by 3 inch concrete monument stamped "Kirby NwC
9-39 Hugh Means" found for the Northwest corner of the herein described
9-40 tract at the Northwest corner of the Hugh Means Survey, Abstract 78,
9-41 and the Northwest corner of said 1846.69 acre tract;

9-42 THENCE North 88 deg. 01 min. 32 sec. East, along the North line of
9-43 the Means Survey, being the North line of said 1846.69 acre tract, a
9-44 distance of 33.30 feet to a 6 inch by 6 inch concrete monument found
9-45 at the Southwest corner of the I. L. Hanson Survey, Abstract 282;

9-46 THENCE North 87 deg. 28 min. 03 sec. East, along the common line of
9-47 the Means Survey and the Hanson Survey, being the North line of said
9-48 1846.69 acre tract and the South line of the Alvin David Stetson
9-49 tract recorded in Clerk's File 2015023380, a distance of 3442.50
9-50 feet to a concrete monument stamped "Kirby 3-166" found at the
9-51 Southeast corner of the Hanson Survey and the Southwest corner of
9-52 the John R. Faulk Survey, Abstract 34;

9-53 THENCE North 86 deg. 55 min. 34 sec. East, along the common lines of
9-54 the Means Survey and the Faulk Survey, being the North line of said
9-55 1846.69 acre tract and the South line of the Jorge Lopez tract
9-56 described in Clerk's File 2007014457, a distance of 1787.22 feet to
9-57 a 3/4 inch iron rod found for the Northeast corner of the herein
9-58 described tract at the Northeast corner of said 1846.69 acre tract,
9-59 said point being in the West right of way line of State Highway 321
9-60 (100.0 feet wide at this point);

9-61 THENCE South 22 deg. 01 min. 29 sec. East, along the West
9-62 right-of-way line of State Highway 321 and the East line of said
9-63 1846.69 acre tract, a distance of 2084.38 feet to a concrete
9-64 monument found at the P.C. of a curve to the left;

9-65 THENCE along the West right-of-way line of State Highway 321
9-66 (right-of-way varies) and the East line of said 1846.69 acre tract,
9-67 following said curve to the left having a Radius of 5779.59 feet,
9-68 Central Angle of a 01 deg. 35 min. 23 sec., Chord Bearing and
9-69 Distance of South 22 deg. 51 min. 20 sec. East - 160.35 feet, for an

10-1 arc distance of 160.36 feet to a concrete monument found at the P.T.
10-2 of said curve;
10-3 THENCE South 18 deg. 29 min. East, along the West right-of-way line
10-4 of State Highway 321 and the East line of said 1846.69 acre tract, a
10-5 distance of 101.28 feet to a concrete monument found at the P.C. of
10-6 a curve left;
10-7 THENCE along the West right-of-way line of State Highway 21
10-8 (right-of-way varies) and the East line of said 1846.69 acre tract,
10-9 following said curve to the left having a Radius of 5789.59 feet,
10-10 Central Angle of 10 deg. 49 min. 44 sec., Chord Bearing and a
10-11 Distance of South 30 deg. 03 min. 47 sec. East - 1092.60 feet, for an
10-12 arc distance of 1094.23 feet to a concrete monument found at the
10-13 P.T. of said curve;
10-14 THENCE South 35 deg. 28 min. 53 sec. East, along the West
10-15 right-of-way line of State Highway 321 (right-of-way 110.0 feet
10-16 wide at this point) and the East line of said 1846.69 acre tract, a
10-17 distance of 2708.35 feet to a 1/2 inch iron rod found for the
10-18 Southeast corner of the herein described tract at the upper
10-19 Southeast corner of said 1846.69 acre tract, the Northeast corner
10-20 of a 6.87 acre Save and Except Tract described in the a deed to
10-21 Southland Timberlands V, L.P. recorded in Clerk's File 2003009246;
10-22 THENCE South 87 deg. 23 min. 32 sec. West, along the North line of
10-23 said 6.87 acre Save and Except Tract, a distance of 3334.49 feet to
10-24 a fence post found at the Northwest corner of said 6.87 acre tract
10-25 and the upper Northeast corner of a 638.36 acre tract described in a
10-26 deed to Roli Holdings, L.P. recorded in Clerk's File 2013010569;
10-27 THENCE South 87 deg. 23 min. 05 sec. West, along the North line of
10-28 said 638.36 acre tract, at 4683.36 feet pass a 5/8 inch iron rod
10-29 capped "RPLS 5815" found, and continue for a total distance of
10-30 4684.17 feet to a point marking the Southwest corner of the herein
10-31 described tract at the Northwest corner of said 638.36 acre tract,
10-32 said point being in the West line of the Means Survey, the East line
10-33 of the H.& T.C. R.R. Company Survey No. 150, Abstract 833, the West
10-34 line of said 1846.69 acre tract, and the East line of the Joseph H.
10-35 Ceaser, Jr. tract describe in Clerk's File 2007008678;
10-36 THENCE North 03 deg. 40 min. 53 sec. West, along the common line of
10-37 the Means Survey and the H.&T.C. R.R. Company Survey No. 150, being
10-38 the West line of said 1846.69 acre tract and the East line of the
10-39 Ceaser tract, a distance of 1305.65 feet to a 3 inch by 3 inch
10-40 concrete monument stamped "Kirby SEc H&TC WL H Means" found at the
10-41 Northeast corner of the H.&T.C. R.R. Company Survey No. 150, the
10-42 Southeast corner of the H.& T.C. R.R. Company Survey No. 149,
10-43 Abstract 232, the Northeast corner of the Ceaser tract, and the
10-44 Southeast corner of the William B. Krizak tract described in
10-45 Clerk's File 2009017836;
10-46 THENCE North 02 deg. 11 min. 16 sec. West, along the common line of
10-47 the Means Survey and the H.&T.C. R.R. Company Survey No. 149, being
10-48 the West line of said 1846.69 acre tract and the East line of the
10-49 Krizak tract, the Heriberto Cisneros tract described in Clerk's
10-50 File 2009009858, The Heriberto Cisneros tract described in Clerk's
10-51 File 2017006032, and the Johnnie Hooper tract described in Clerk's
10-52 File 2016002265, at 2138.84 feet pass a 1/2 inch iron rod found at
10-53 the Northeast corner of the Hooper tract and the Southeast corner of
10-54 a tract described in Clerk's File 2018001388, and continue along
10-55 the East line of said tract and tracts described in Clerk's File
10-56 2014013993, Clerk's File 2013003296, Clerk's File 2013010371,
10-57 Clerk's File 2012002326; Clerk's File 2016007673; Clerk's File
10-58 2015007509; Clerk's File 2012012985; Clerk's File 2009007977, and
10-59 Clerk's File 2010011389 for a total distance of 4143.56 feet to the
10-60 PLACE OF BEGINNING and containing 807.65 acres of land.
10-61 SECTION 3. (a) The legal notice of the intention to
10-62 introduce this Act, setting forth the general substance of this
10-63 Act, has been published as provided by law, and the notice and a
10-64 copy of this Act have been furnished to all persons, agencies,
10-65 officials, or entities to which they are required to be furnished
10-66 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
10-67 Government Code.
10-68 (b) The governor, one of the required recipients, has
10-69 submitted the notice and Act to the Texas Commission on

11-1 Environmental Quality.

11-2 (c) The Texas Commission on Environmental Quality has filed
11-3 its recommendations relating to this Act with the governor,
11-4 lieutenant governor, and speaker of the house of representatives
11-5 within the required time.

11-6 (d) The general law relating to consent by political
11-7 subdivisions to the creation of districts with conservation,
11-8 reclamation, and road powers and the inclusion of land in those
11-9 districts has been complied with.

11-10 (e) All requirements of the constitution and laws of this
11-11 state and the rules and procedures of the legislature with respect
11-12 to the notice, introduction, and passage of this Act have been
11-13 fulfilled and accomplished.

11-14 SECTION 4. This Act takes effect immediately if it receives
11-15 a vote of two-thirds of all the members elected to each house, as
11-16 provided by Section 39, Article III, Texas Constitution. If this
11-17 Act does not receive the vote necessary for immediate effect, this
11-18 Act takes effect September 1, 2019.

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