

1-1 By: Calanni (Senate Sponsor - Kolkhorst) H.B. No. 4662  
1-2 (In the Senate - Received from the House May 8, 2019;  
1-3 May 10, 2019, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 15, 2019, reported adversely,  
1-5 with favorable Committee Substitute by the following vote: Yeas 7,  
1-6 Nays 0; May 15, 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. 4662 By: Fallon

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

1-19 relating to the creation of the Richfield Ranch Management District  
1-20 of Harris County, Texas; providing authority to issue bonds;  
1-21 providing authority to impose assessments, fees, and 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 3975 to read as follows:

1-25 CHAPTER 3975. RICHFIELD RANCH MANAGEMENT DISTRICT OF HARRIS  
1-26 COUNTY, TEXAS

1-27 SUBCHAPTER A. GENERAL PROVISIONS

1-28 Sec. 3975.0101. DEFINITIONS. In this chapter:

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

1-30 (2) "Commission" means the Texas Commission on  
1-31 Environmental Quality.

1-32 (3) "County" means Harris County.

1-33 (4) "Director" means a board member.

1-34 (5) "District" means the Richfield Ranch Management  
1-35 District of Harris County, Texas.

1-36 Sec. 3975.0102. CREATION AND NATURE OF DISTRICT; IMMUNITY.

1-37 (a) The district is a special district created under Section 59,  
1-38 Article XVI, Texas Constitution.

1-39 (b) The district is a governmental unit, as provided by  
1-40 Section 375.004, Local Government Code.

1-41 (c) This chapter does not waive any governmental or  
1-42 sovereign immunity from suit, liability, or judgment that would  
1-43 otherwise apply to the district.

1-44 Sec. 3975.0103. PURPOSE; DECLARATION OF INTENT. (a) The  
1-45 creation of the district is essential to accomplish the purposes of  
1-46 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
1-47 Texas Constitution, and other public purposes stated in this  
1-48 chapter.

1-49 (b) By creating the district, the legislature has  
1-50 established a program to accomplish the public purposes set out in  
1-51 Sections 52 and 52-a, Article III, Texas Constitution.

1-52 (c) The creation of the district is necessary to promote,  
1-53 develop, encourage, and maintain employment, commerce,  
1-54 transportation, housing, tourism, recreation, the arts,  
1-55 entertainment, economic development, safety, and the public  
1-56 welfare in the district.

1-57 (d) This chapter and the creation of the district may not be  
1-58 interpreted to relieve the county or a municipality from providing  
1-59 the level of services provided as of the effective date of the Act  
1-60 enacting this chapter to the area in the district. The district is

2-1 created to supplement and not to supplant county or municipal  
2-2 services provided in the district.

2-3 Sec. 3975.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

2-4 (a) All land and other property included in the district will  
2-5 benefit from the improvements and services to be provided by the  
2-6 district under powers conferred by Sections 52 and 52-a, Article  
2-7 III, and Section 59, Article XVI, Texas Constitution, and other  
2-8 powers granted under this chapter.

2-9 (b) The district is created to serve a public use and  
2-10 benefit.

2-11 (c) The creation of the district is in the public interest  
2-12 and is essential to further the public purposes of:

2-13 (1) developing and diversifying the economy of the  
2-14 state;

2-15 (2) eliminating unemployment and underemployment; and

2-16 (3) developing or expanding transportation and  
2-17 commerce.

2-18 (d) The district will:

2-19 (1) promote the health, safety, and general welfare of  
2-20 residents, employers, potential employees, employees, visitors,  
2-21 and consumers in the district, and of the public;

2-22 (2) provide needed funding for the district to  
2-23 preserve, maintain, and enhance the economic health and vitality of  
2-24 the district territory as a community and business center;

2-25 (3) promote the health, safety, welfare, and enjoyment  
2-26 of the public by providing pedestrian ways, road facilities,  
2-27 transit facilities, parking facilities, recreational facilities,  
2-28 and public art objects and by landscaping and developing certain  
2-29 areas in the district, which are necessary for the restoration,  
2-30 preservation, and enhancement of scenic beauty; and

2-31 (4) provide for water, wastewater, and drainage  
2-32 facilities for the district.

2-33 (e) Pedestrian ways along or across a street, whether at  
2-34 grade or above or below the surface, and street lighting, street  
2-35 landscaping, parking, and street art objects are parts of and  
2-36 necessary components of a street and are considered to be a street  
2-37 or road improvement.

2-38 (f) The district will not act as the agent or  
2-39 instrumentality of any private interest even though the district  
2-40 will benefit many private interests as well as the public.

2-41 Sec. 3975.0105. INITIAL DISTRICT TERRITORY. (a) The  
2-42 district is initially composed of the territory described by  
2-43 Section 2 of the Act enacting this chapter.

2-44 (b) The boundaries and field notes contained in Section 2 of  
2-45 the Act enacting this chapter form a closure. A mistake in the  
2-46 field notes or in copying the field notes in the legislative process  
2-47 does not affect the district's:

2-48 (1) organization, existence, or validity;

2-49 (2) right to issue any type of bonds for the purposes  
2-50 for which the district is created or to pay the principal of and  
2-51 interest on the bonds;

2-52 (3) right to impose or collect an assessment or tax; or

2-53 (4) legality or operation.

2-54 Sec. 3975.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

2-55 All or any part of the area of the district is eligible to be  
2-56 included in:

2-57 (1) a tax increment reinvestment zone created under  
2-58 Chapter 311, Tax Code;

2-59 (2) a tax abatement reinvestment zone created under  
2-60 Chapter 312, Tax Code;

2-61 (3) an enterprise zone created under Chapter 2303,  
2-62 Government Code; or

2-63 (4) an industrial district created under Chapter 42,  
2-64 Local Government Code.

2-65 Sec. 3975.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT  
2-66 DISTRICTS LAW. Except as otherwise provided by this chapter,  
2-67 Chapter 375, Local Government Code, applies to the district.

2-68 Sec. 3975.0108. LIBERAL CONSTRUCTION OF CHAPTER. This  
2-69 chapter shall be liberally construed in conformity with the

3-1 findings and purposes stated in this chapter.  
3-2 Sec. 3975.0109. CONFLICTS OF LAW. This chapter prevails  
3-3 over any provision of general law, including a provision of Chapter  
3-4 375, Local Government Code, or Chapter 49, Water Code, that is in  
3-5 conflict or inconsistent with this chapter.

3-6 SUBCHAPTER B. BOARD OF DIRECTORS

3-7 Sec. 3975.0201. GOVERNING BODY; TERMS. (a) The district is  
3-8 governed by a board of five directors elected or appointed as  
3-9 provided by this chapter and Subchapter D, Chapter 49, Water Code.

3-10 (b) Except as provided by Section 3975.0203, directors  
3-11 serve staggered four-year terms.

3-12 Sec. 3975.0202. COMPENSATION. A director is entitled to  
3-13 receive fees of office and reimbursement for actual expenses as  
3-14 provided by Section 49.060, Water Code. Sections 375.069 and  
3-15 375.070, Local Government Code, do not apply to the board.

3-16 Sec. 3975.0203. TEMPORARY DIRECTORS. (a) On or after the  
3-17 effective date of the Act enacting this chapter, the owner or owners  
3-18 of a majority of the assessed value of the real property in the  
3-19 district according to the most recent certified tax appraisal roll  
3-20 for the county may submit a petition to the commission requesting  
3-21 that the commission appoint as temporary directors the five persons  
3-22 named in the petition. The commission shall appoint as temporary  
3-23 directors the five persons named in the petition.

3-24 (b) The temporary directors shall hold an election to elect  
3-25 five permanent directors as provided by Section 49.102, Water Code.

3-26 (c) Temporary directors serve until the earlier of:

3-27 (1) the date permanent directors are elected under  
3-28 Subsection (b); or

3-29 (2) the fourth anniversary of the effective date of  
3-30 the Act enacting this chapter.

3-31 (d) If permanent directors have not been elected under  
3-32 Subsection (b) and the terms of the temporary directors have  
3-33 expired, successor temporary directors shall be appointed or  
3-34 reappointed as provided by Subsection (e) to serve terms that  
3-35 expire on the earlier of:

3-36 (1) the date permanent directors are elected under  
3-37 Subsection (b); or

3-38 (2) the fourth anniversary of the date of the  
3-39 appointment or reappointment.

3-40 (e) If Subsection (d) applies, the owner or owners of a  
3-41 majority of the assessed value of the real property in the district  
3-42 according to the most recent certified tax appraisal roll for the  
3-43 county may submit a petition to the commission requesting that the  
3-44 commission appoint as successor temporary directors the five  
3-45 persons named in the petition. The commission shall appoint as  
3-46 successor temporary directors the five persons named in the  
3-47 petition.

3-48 Sec. 3975.0204. DISQUALIFICATION OF DIRECTORS. Section  
3-49 49.052, Water Code, applies to the members of the board.

3-50 SUBCHAPTER C. POWERS AND DUTIES

3-51 Sec. 3975.0301. GENERAL POWERS AND DUTIES. The district  
3-52 has the powers and duties necessary to accomplish the purposes for  
3-53 which the district is created.

3-54 Sec. 3975.0302. IMPROVEMENT PROJECTS AND SERVICES. (a)  
3-55 The district, using any money available to the district for the  
3-56 purpose, may provide, design, construct, acquire, improve,  
3-57 relocate, operate, maintain, or finance an improvement project or  
3-58 service authorized under this chapter or Chapter 375, Local  
3-59 Government Code.

3-60 (b) The district may contract with a governmental or private  
3-61 entity to carry out an action under Subsection (a).

3-62 (c) The implementation of a district project or service is a  
3-63 governmental function or service for the purposes of Chapter 791,  
3-64 Government Code.

3-65 Sec. 3975.0303. RECREATIONAL FACILITIES. The district may  
3-66 develop or finance recreational facilities as authorized by Chapter  
3-67 375, Local Government Code, Sections 52 and 52-a, Article III,  
3-68 Texas Constitution, Section 59, Article XVI, Texas Constitution,  
3-69 and any other law that applies to the district.

4-1 Sec. 3975.0304. AUTHORITY FOR ROAD PROJECTS. Under Section  
4-2 52, Article III, Texas Constitution, the district may own, operate,  
4-3 maintain, design, acquire, construct, finance, issue bonds, notes,  
4-4 or other obligations for, improve, and convey to this state, a  
4-5 county, or a municipality for ownership, operation, and maintenance  
4-6 macadamized, graveled, or paved roads or improvements, including  
4-7 storm drainage, in aid of those roads.

4-8 Sec. 3975.0305. CONVEYANCE AND APPROVAL OF ROAD PROJECT.  
4-9 (a) The district may convey a road project authorized by Section  
4-10 3975.0304 to:

4-11 (1) a municipality or county that will operate and  
4-12 maintain the road if the municipality or county has approved the  
4-13 plans and specifications of the road project; or

4-14 (2) the state if the state will operate and maintain  
4-15 the road and the Texas Transportation Commission has approved the  
4-16 plans and specifications of the road project.

4-17 (b) Except as provided by Subsection (c), the district shall  
4-18 operate and maintain a road project authorized by Section 3975.0304  
4-19 that the district implements and does not convey to a municipality,  
4-20 a county, or this state under Subsection (a).

4-21 (c) The district may agree in writing with a municipality, a  
4-22 county, or this state to assign operation and maintenance duties to  
4-23 the district, the municipality, the county, or this state in a  
4-24 manner other than the manner described in Subsections (a) and (b).

4-25 Sec. 3975.0306. NONPROFIT CORPORATION. (a) The board by  
4-26 resolution may authorize the creation of a nonprofit corporation to  
4-27 assist and act for the district in implementing a project or  
4-28 providing a service authorized by this chapter.

4-29 (b) The nonprofit corporation:

4-30 (1) has each power of and is considered to be a local  
4-31 government corporation created under Subchapter D, Chapter 431,  
4-32 Transportation Code; and

4-33 (2) may implement any project and provide any service  
4-34 authorized by this chapter.

4-35 (c) The board shall appoint the board of directors of the  
4-36 nonprofit corporation. The board of directors of the nonprofit  
4-37 corporation shall serve in the same manner as the board of directors  
4-38 of a local government corporation created under Subchapter D,  
4-39 Chapter 431, Transportation Code, except that a board member is not  
4-40 required to reside in the district.

4-41 Sec. 3975.0307. LAW ENFORCEMENT SERVICES. Section 49.216,  
4-42 Water Code, applies to the district.

4-43 Sec. 3975.0308. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.  
4-44 The district may join and pay dues to a charitable or nonprofit  
4-45 organization that performs a service or provides an activity  
4-46 consistent with the furtherance of a district purpose.

4-47 Sec. 3975.0309. ECONOMIC DEVELOPMENT PROGRAMS. (a) The  
4-48 district may engage in activities that accomplish the economic  
4-49 development purposes of the district.

4-50 (b) The district may establish and provide for the  
4-51 administration of one or more programs to promote state or local  
4-52 economic development and to stimulate business and commercial  
4-53 activity in the district, including programs to:

4-54 (1) make loans and grants of public money; and

4-55 (2) provide district personnel and services.

4-56 (c) The district may create economic development programs  
4-57 and exercise the economic development powers that:

4-58 (1) Chapter 380, Local Government Code, provides to a  
4-59 municipality; and

4-60 (2) Subchapter A, Chapter 1509, Government Code,  
4-61 provides to a municipality.

4-62 Sec. 3975.0310. STRATEGIC PARTNERSHIP AGREEMENT. The  
4-63 district may negotiate and enter into a written strategic  
4-64 partnership agreement with a municipality under Section 43.0751,  
4-65 Local Government Code.

4-66 Sec. 3975.0311. REGIONAL PARTICIPATION AGREEMENT. The  
4-67 district may negotiate and enter into a written regional  
4-68 participation agreement with a municipality under Section 43.0754,  
4-69 Local Government Code.

5-1 Sec. 3975.0312. PARKING FACILITIES. (a) The district may  
5-2 acquire, lease as lessor or lessee, construct, develop, own,  
5-3 operate, and maintain parking facilities or a system of parking  
5-4 facilities, including lots, garages, parking terminals, or other  
5-5 structures or accommodations for parking motor vehicles off the  
5-6 streets and related appurtenances.

5-7 (b) The district's parking facilities serve the public  
5-8 purposes of the district and are owned, used, and held for a public  
5-9 purpose even if leased or operated by a private entity for a term of  
5-10 years.

5-11 (c) The district's parking facilities are parts of and  
5-12 necessary components of a street and are considered to be a street  
5-13 or road improvement.

5-14 (d) The development and operation of the district's parking  
5-15 facilities may be considered an economic development program.

5-16 Sec. 3975.0313. ADDING OR EXCLUDING LAND. (a) The district  
5-17 may add land as provided by Subchapter J, Chapter 49, Water Code.

5-18 (b) The district may exclude land as provided by Subchapter  
5-19 J, Chapter 49, Water Code. Section 375.044(b), Local Government  
5-20 Code, does not apply to the district.

5-21 (c) The district may include and exclude land as provided by  
5-22 Sections 54.739-54.747, Water Code. A reference in those sections  
5-23 to a "tax" means an ad valorem tax for the purposes of this  
5-24 subsection.

5-25 (d) If the district adopts a sales and use tax authorized at  
5-26 an election held under Section 3975.0602 and subsequently includes  
5-27 new territory in the district under this section, the district:

5-28 (1) is not required to hold another election to  
5-29 approve the imposition of the sales and use tax in the included  
5-30 territory; and

5-31 (2) shall impose the sales and use tax in the included  
5-32 territory as provided by Chapter 321, Tax Code.

5-33 (e) If the district adopts a sales and use tax authorized at  
5-34 an election held under Section 3975.0602 and subsequently excludes  
5-35 territory in the district under this section, the sales and use tax  
5-36 is inapplicable to the excluded territory, as provided by Chapter  
5-37 321, Tax Code, but is applicable to the territory remaining in the  
5-38 district.

5-39 Sec. 3975.0314. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
5-40 board by resolution shall establish the number of directors'  
5-41 signatures and the procedure required for a disbursement or  
5-42 transfer of district money.

5-43 Sec. 3975.0315. AUDIT EXEMPTION. (a) The district may  
5-44 elect to complete an annual financial report in lieu of an annual  
5-45 audit under Section 375.096(a)(6), Local Government Code, if:

5-46 (1) the district had no bonds or other long-term (more  
5-47 than one year) liabilities outstanding during the fiscal period;

5-48 (2) the district did not have gross receipts from  
5-49 operations, loans, taxes, assessments, or contributions in excess  
5-50 of \$250,000 during the fiscal period; and

5-51 (3) the district's cash and temporary investments were  
5-52 not in excess of \$250,000 during the fiscal period.

5-53 (b) Each annual financial report prepared in accordance  
5-54 with this section must be open to public inspection and accompanied  
5-55 by an affidavit signed by a duly authorized representative of the  
5-56 district attesting to the accuracy and authenticity of the  
5-57 financial report.

5-58 (c) The annual financial report and affidavit shall be  
5-59 substantially similar in form to the annual financial report and  
5-60 affidavit forms prescribed by the executive director of the  
5-61 commission under Section 49.198, Water Code.

5-62 Sec. 3975.0316. NO EMINENT DOMAIN POWER. The district may  
5-63 not exercise the power of eminent domain.

5-64 SUBCHAPTER D. ASSESSMENTS

5-65 Sec. 3975.0401. PETITION REQUIRED FOR FINANCING SERVICES  
5-66 AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a  
5-67 service or improvement project with assessments under this chapter  
5-68 unless a written petition requesting that service or improvement  
5-69 has been filed with the board.

6-1 (b) A petition filed under Subsection (a) must be signed by  
6-2 the owners of a majority of the assessed value of real property in  
6-3 the district subject to assessment according to the most recent  
6-4 certified tax appraisal roll for the county.

6-5 Sec. 3975.0402. METHOD OF NOTICE FOR HEARING. The district  
6-6 may mail the notice required by Section 375.115(c), Local  
6-7 Government Code, by certified or first class United States mail.  
6-8 The board shall determine the method of notice.

6-9 Sec. 3975.0403. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
6-10 The board by resolution may impose and collect an assessment for any  
6-11 purpose authorized by this chapter in all or any part of the  
6-12 district.

6-13 (b) An assessment, a reassessment, or an assessment  
6-14 resulting from an addition to or correction of the assessment roll  
6-15 by the district, penalties and interest on an assessment or  
6-16 reassessment, an expense of collection, and reasonable attorney's  
6-17 fees incurred by the district:

6-18 (1) are a first and prior lien against the property  
6-19 assessed;

6-20 (2) are superior to any other lien or claim other than  
6-21 a lien or claim for county, school district, or municipal ad valorem  
6-22 taxes; and

6-23 (3) are the personal liability of and a charge against  
6-24 the owners of the property even if the owners are not named in the  
6-25 assessment proceedings.

6-26 (c) The lien is effective from the date of the board's  
6-27 resolution imposing the assessment until the date the assessment is  
6-28 paid. The board may enforce the lien in the same manner that the  
6-29 board may enforce an ad valorem tax lien against real property.

6-30 (d) The board may make a correction to or deletion from the  
6-31 assessment roll that does not increase the amount of assessment of  
6-32 any parcel of land without providing notice and holding a hearing in  
6-33 the manner required for additional assessments.

6-34 SUBCHAPTER E. TAXES AND BONDS

6-35 Sec. 3975.0501. TAX ELECTION REQUIRED. The district must  
6-36 hold an election in the manner provided by Chapter 49, Water Code,  
6-37 or, if applicable, Chapter 375, Local Government Code, to obtain  
6-38 voter approval before the district may impose an ad valorem tax.

6-39 Sec. 3975.0502. OPERATION AND MAINTENANCE TAX. (a) If  
6-40 authorized by a majority of the district voters voting at an  
6-41 election under Section 3975.0501, the district may impose an  
6-42 operation and maintenance tax on taxable property in the district  
6-43 in the manner provided by Section 49.107, Water Code, for any  
6-44 district purpose, including to:

6-45 (1) maintain and operate the district;

6-46 (2) construct or acquire improvements; or

6-47 (3) provide a service.

6-48 (b) The board shall determine the operation and maintenance  
6-49 tax rate. The rate may not exceed the rate approved at the  
6-50 election.

6-51 (c) Section 49.107(h), Water Code, does not apply to the  
6-52 district.

6-53 Sec. 3975.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE  
6-54 BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on  
6-55 terms determined by the board.

6-56 (b) The district, by competitive bid or negotiated sale, may  
6-57 issue bonds, notes, or other obligations payable wholly or partly  
6-58 from ad valorem taxes, assessments, impact fees, revenue, contract  
6-59 payments, grants, or other district money, or any combination of  
6-60 those sources of money, to pay for any authorized district purpose.

6-61 (c) The limitation on the outstanding principal amount of  
6-62 bonds, notes, or other obligations provided by Section 49.4645,  
6-63 Water Code, does not apply to the district.

6-64 Sec. 3975.0504. BONDS SECURED BY REVENUE OR CONTRACT  
6-65 PAYMENTS. The district may issue, without an election, bonds  
6-66 secured by:

6-67 (1) revenue other than ad valorem taxes, including  
6-68 contract revenues; or

6-69 (2) contract payments, provided that the requirements

7-1 of Section 49.108, Water Code, have been met.

7-2 Sec. 3975.0505. BONDS SECURED BY AD VALOREM TAXES;  
 7-3 ELECTIONS. (a) If authorized at an election under Section  
 7-4 3975.0501, the district may issue bonds payable from ad valorem  
 7-5 taxes.

7-6 (b) Section 375.243, Local Government Code, does not apply  
 7-7 to the district.

7-8 (c) At the time the district issues bonds payable wholly or  
 7-9 partly from ad valorem taxes, the board shall provide for the annual  
 7-10 imposition of a continuing direct annual ad valorem tax, without  
 7-11 limit as to rate or amount, for each year that all or part of the  
 7-12 bonds are outstanding as required and in the manner provided by  
 7-13 Sections 54.601 and 54.602, Water Code.

7-14 (d) All or any part of any facilities or improvements that  
 7-15 may be acquired by a district by the issuance of its bonds may be  
 7-16 submitted as a single proposition or as several propositions to be  
 7-17 voted on at the election.

7-18 Sec. 3975.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The  
 7-19 board may not issue bonds until each municipality in whose  
 7-20 corporate limits or extraterritorial jurisdiction the district is  
 7-21 located has consented by ordinance or resolution to the creation of  
 7-22 the district and to the inclusion of land in the district.

7-23 (b) This section applies only to the district's first  
 7-24 issuance of bonds payable from ad valorem taxes.

#### 7-25 SUBCHAPTER F. SALES AND USE TAX

7-26 Sec. 3975.0601. APPLICABILITY OF CERTAIN TAX CODE  
 7-27 PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition,  
 7-28 computation, administration, enforcement, and collection of the  
 7-29 sales and use tax authorized by this subchapter except to the extent  
 7-30 Chapter 321, Tax Code, is inconsistent with this chapter.

7-31 (b) A reference in Chapter 321, Tax Code, to a municipality  
 7-32 or the governing body of a municipality is a reference to the  
 7-33 district or the board, respectively.

7-34 Sec. 3975.0602. ELECTION; ADOPTION OF TAX. (a) The  
 7-35 district may adopt a sales and use tax if authorized by a majority  
 7-36 of the voters of the district voting at an election held for that  
 7-37 purpose.

7-38 (b) The board by order may call an election to authorize the  
 7-39 adoption of the sales and use tax. The election may be held on any  
 7-40 uniform election date and in conjunction with any other district  
 7-41 election.

7-42 (c) The ballot shall be printed to provide for voting for or  
 7-43 against the proposition: "Authorization of a sales and use tax in  
 7-44 the Richfield Ranch Management District of Harris County, Texas, at  
 7-45 a rate not to exceed \_\_\_\_\_ percent" (insert rate of one or more  
 7-46 increments of one-eighth of one percent).

7-47 Sec. 3975.0603. SALES AND USE TAX RATE. (a) On or after the  
 7-48 date the results are declared of an election held under Section  
 7-49 3975.0602, at which the voters approved imposition of the tax  
 7-50 authorized by this subchapter, the board shall determine and adopt  
 7-51 by resolution or order the initial rate of the tax, which must be in  
 7-52 one or more increments of one-eighth of one percent.

7-53 (b) After the election held under Section 3975.0602, the  
 7-54 board may increase or decrease the rate of the tax by one or more  
 7-55 increments of one-eighth of one percent.

7-56 (c) The initial rate of the tax or any rate resulting from  
 7-57 subsequent increases or decreases may not exceed the lesser of:

7-58 (1) the maximum rate authorized by the district voters  
 7-59 at the election held under Section 3975.0602; or

7-60 (2) a rate that, when added to the rates of all sales  
 7-61 and use taxes imposed by other political subdivisions with  
 7-62 territory in the district, would result in the maximum combined  
 7-63 rate prescribed by Section 321.101(f), Tax Code, at any location in  
 7-64 the district.

7-65 Sec. 3975.0604. TAX AFTER MUNICIPAL ANNEXATION. (a) This  
 7-66 section applies to the district after a municipality annexes part  
 7-67 of the territory in the district and imposes the municipality's  
 7-68 sales and use tax in the annexed territory.

7-69 (b) If at the time of annexation the district has

8-1 outstanding debt or other obligations payable wholly or partly from  
 8-2 district sales and use tax revenue, Section 321.102(g), Tax Code,  
 8-3 applies to the district.

8-4 (c) If at the time of annexation the district does not have  
 8-5 outstanding debt or other obligations payable wholly or partly from  
 8-6 district sales and use tax revenue, the district may:

8-7 (1) exclude the annexed territory from the district,  
 8-8 if the district has no outstanding debt or other obligations  
 8-9 payable from any source; or

8-10 (2) reduce the sales and use tax in the annexed  
 8-11 territory by resolution or order of the board to a rate that, when  
 8-12 added to the sales and use tax rate imposed by the municipality in  
 8-13 the annexed territory, is equal to the sales and use tax rate  
 8-14 imposed by the district in the district territory that was not  
 8-15 annexed by the municipality.

8-16 Sec. 3975.0605. NOTIFICATION OF RATE CHANGE. The board  
 8-17 shall notify the comptroller of any changes made to the tax rate  
 8-18 under this subchapter in the same manner the municipal secretary  
 8-19 provides notice to the comptroller under Section 321.405(b), Tax  
 8-20 Code.

8-21 Sec. 3975.0606. USE OF REVENUE. Revenue from the sales and  
 8-22 use tax imposed under this subchapter is for the use and benefit of  
 8-23 the district and may be used for any district purpose. The district  
 8-24 may pledge all or part of the revenue to the payment of bonds,  
 8-25 notes, or other obligations, and that pledge of revenue may be in  
 8-26 combination with other revenue, including tax revenue, available to  
 8-27 the district.

8-28 Sec. 3975.0607. ABOLITION OF TAX. (a) Except as provided  
 8-29 by Subsection (b), the board may abolish the tax imposed under this  
 8-30 subchapter without an election.

8-31 (b) The board may not abolish the tax imposed under this  
 8-32 subchapter if the district has outstanding debt secured by the tax,  
 8-33 and repayment of the debt would be impaired by the abolition of the  
 8-34 tax.

8-35 (c) If the board abolishes the tax, the board shall notify  
 8-36 the comptroller of that action in the same manner the municipal  
 8-37 secretary provides notice to the comptroller under Section  
 8-38 321.405(b), Tax Code.

8-39 (d) If the board abolishes the tax or decreases the tax rate  
 8-40 to zero, a new election to authorize a sales and use tax must be held  
 8-41 under Section 3975.0602 before the district may subsequently impose  
 8-42 the tax.

8-43 (e) This section does not apply to a decrease in the sales  
 8-44 and use tax authorized under Section 3975.0604(c)(2).

#### 8-45 SUBCHAPTER I. DISSOLUTION

8-46 Sec. 3975.0901. DISSOLUTION. (a) The board shall dissolve  
 8-47 the district on written petition filed with the board by the owners  
 8-48 of:

8-49 (1) 66 percent or more of the assessed value of the  
 8-50 property subject to assessment by the district based on the most  
 8-51 recent certified county property tax rolls; or

8-52 (2) 66 percent or more of the surface area of the  
 8-53 district, excluding roads, streets, highways, utility  
 8-54 rights-of-way, other public areas, and other property exempt from  
 8-55 assessment by the district according to the most recent certified  
 8-56 county property tax rolls.

8-57 (b) The board by majority vote may dissolve the district at  
 8-58 any time.

8-59 (c) The district may not be dissolved by its board under  
 8-60 Subsection (a) or (b) if the district:

8-61 (1) has any outstanding bonded indebtedness until that  
 8-62 bonded indebtedness has been repaid or defeased in accordance with  
 8-63 the order or resolution authorizing the issuance of the bonds;

8-64 (2) has a contractual obligation to pay money until  
 8-65 that obligation has been fully paid in accordance with the  
 8-66 contract; or

8-67 (3) owns, operates, or maintains public works,  
 8-68 facilities, or improvements unless the district contracts with  
 8-69 another person for the ownership, operation, or maintenance of the



9-1 public works, facilities, or improvements.

9-2 (d) Sections 375.261, 375.262, and 375.264, Local  
 9-3 Government Code, do not apply to the district.

9-4 SECTION 2. The Richfield Ranch Management District of  
 9-5 Harris County, Texas, initially includes all the territory  
 9-6 contained in the following area:

9-7 Being a 296.69 acre tract of land located within the John W.  
 9-8 Baker Survey, A-116, the Edward Goodsir Survey, A-285, and the  
 9-9 H.T.&B.R.R. Co. Survey, A-402, all in Harris County, Texas; said  
 9-10 296.69 acre tract being a part of a call 2523.670 acre tract of land  
 9-11 recorded in Clerk's File Number U036618 of the Official Public  
 9-12 Records of Real Property of Harris County (O.P.R.R.P.H.C); said  
 9-13 296.69 acre tract being more particularly described by metes and  
 9-14 bounds as follows (all bearings are referenced to the south line of  
 9-15 said 2523.670 acre tract):

9-16 Beginning at a 3/4-inch iron rod found at an interior corner  
 9-17 of said 2523.670 acre tract and the northeast corner of a call 3.220  
 9-18 acre tract of land recorded in Volume 6368, Page 357 of the Harris  
 9-19 County Deed Records (H.C.D.R.), and being on the south Right-of-Way  
 9-20 (R.O.W.) line of the Union Pacific Railroad (100 feet wide)  
 9-21 recorded in Volume 964, Page 88 of the H.C.D.R.;

9-22 1. Thence with common line of said 2523.670 acre tract and  
 9-23 said Union Pacific Railroad, South 68 degrees 09 minutes 04 seconds  
 9-24 East, a distance of 3,468.29 feet to the west R.O.W. line of State  
 9-25 Highway 99 (Grand Parkway) recorded in Clerk's File Number  
 9-26 20120310531 of the O.P.R.R.P.H.C.;

9-27 Thence, with said west R.O.W. line, the following thirteen  
 9-28 (13) courses

9-29 2. South 03 degrees 24 minutes 19 seconds East, a distance  
 9-30 of 389.11 feet;

9-31 3. South 14 degrees 45 minutes 04 seconds East, a distance  
 9-32 of 620.00 feet;

9-33 4. South 02 degrees 04 minutes 37 seconds East, a distance  
 9-34 of 182.04 feet;

9-35 5. 843.74 feet along the arc of a curve to the right, said  
 9-36 curve having a central angle of 04 degrees 17 minutes 37 seconds, a  
 9-37 radius of 11,259.16 feet and a chord that bears South 00 degrees 04  
 9-38 minutes 11 seconds West, a distance of 843.54 feet;

9-39 6. South 02 degrees 12 minutes 59 seconds West, a distance  
 9-40 of 74.10 feet;

9-41 7. South 47 degrees 12 minutes 59 seconds West, a distance  
 9-42 of 49.50 feet;

9-43 8. South 02 degrees 12 minutes 59 seconds West, a distance  
 9-44 of 100.00 feet;

9-45 9. South 42 degrees 47 minutes 01 seconds East, a distance  
 9-46 of 49.50 feet;

9-47 10. South 02 degrees 12 minutes 59 seconds West, a distance  
 9-48 of 1,486.42 feet;

9-49 11. 1,398.54 feet along the arc of a curve to the left, said  
 9-50 curve having a central angle of 03 degrees 27 minutes 58 seconds, a  
 9-51 radius of 23,118.32 feet and a chord that bears South 00 degrees 29  
 9-52 minutes 00 seconds West, a distance of 1,398.33 feet;

9-53 12. South 01 degrees 14 minutes 59 seconds East, a distance  
 9-54 of 1,972.40 feet;

9-55 13. South 43 degrees 22 minutes 43 seconds West, a distance  
 9-56 of 71.17 feet;

9-57 14. South 01 degrees 14 minutes 59 seconds East, a distance  
 9-58 of 70.13 feet to the common line of aforesaid 2523.670 acre tract  
 9-59 and a call 1158.2 acre tract recorded in Volume 3131, Page 393 of  
 9-60 the H.C.D.R.;

9-61 15. Thence, with said common line, South 88 degrees 00  
 9-62 minutes 19 seconds West, a distance of 1,250.11 feet;

9-63 Thence, through said 2523.670 acre tract, the following five  
 9-64 (5) courses:

9-65 16. North 01 degrees 14 minutes 59 seconds West, a distance  
 9-66 of 2,109.44 feet;

9-67 17. 1,477.19 feet along the arc of a curve to the right, said  
 9-68 curve having a central angle of 03 degrees 27 minutes 58 seconds, a  
 9-69 radius of 24,418.32 feet and a chord that bears North 00 degrees 29

10-1 minutes 00 seconds East, a distance of 1,476.96 feet;  
10-2 18. North 02 degrees 12 minutes 59 seconds East, a distance  
10-3 of 1,730.52 feet;

10-4 19. 1,014.11 feet along the arc of a curve to the left, said  
10-5 curve having a central angle of 05 degrees 50 minutes 03 seconds, a  
10-6 radius of 9,959.16 feet and a chord that bears North 00 degrees 42  
10-7 minutes 03 seconds West, a distance of 1,013.67 feet;

10-8 20. North 68 degrees 09 minutes 04 seconds West, a distance  
10-9 of 2,829.49 feet to the common line of said 2523.670 acre tract and  
10-10 a call 523.376 acre tract of land recorded in Clerk's File Number  
10-11 H793053 of the O.P.R.R.H.C.;

10-12 21. Thence, with said common line, North 02 degrees 09  
10-13 minutes 14 seconds West, a distance of 157.88 feet;

10-14 22. Thence, through said 2523.670 acre tract, North 27  
10-15 degrees 35 minutes 08 seconds East, at a distance of 306.42 feet  
10-16 passing an interior corner of said 2523.670 acre tract and the south  
10-17 corner of aforesaid 3.220 acre tract, in all, a total distance of  
10-18 1161.59 feet to the Point of Beginning and containing 296.69 acres  
10-19 of land.

10-20 SECTION 3. (a) The legal notice of the intention to  
10-21 introduce this Act, setting forth the general substance of this  
10-22 Act, has been published as provided by law, and the notice and a  
10-23 copy of this Act have been furnished to all persons, agencies,  
10-24 officials, or entities to which they are required to be furnished  
10-25 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
10-26 Government Code.

10-27 (b) The governor, one of the required recipients, has  
10-28 submitted the notice and Act to the Texas Commission on  
10-29 Environmental Quality.

10-30 (c) The Texas Commission on Environmental Quality has filed  
10-31 its recommendations relating to this Act with the governor,  
10-32 lieutenant governor, and speaker of the house of representatives  
10-33 within the required time.

10-34 (d) All requirements of the constitution and laws of this  
10-35 state and the rules and procedures of the legislature with respect  
10-36 to the notice, introduction, and passage of this Act have been  
10-37 fulfilled and accomplished.

10-38 SECTION 4. This Act takes effect immediately if it receives  
10-39 a vote of two-thirds of all the members elected to each house, as  
10-40 provided by Section 39, Article III, Texas Constitution. If this  
10-41 Act does not receive the vote necessary for immediate effect, this  
10-42 Act takes effect September 1, 2019.

10-43 \* \* \* \* \*