

1-1 By: Kolkhorst S.B. No. 2470
1-2 (In the Senate - Filed March 26, 2019; March 27, 2019, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; May 6, 2019, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 7, Nays 0;
1-6 May 6, 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 S.B. No. 2470 By: Nichols

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
 3-8 is 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.
 3-55 (a) The district, using any money available to the district for
 3-56 the 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
5-17 district may add land as provided by Subchapter J, Chapter 49, Water
5-18 Code.

5-19 (b) The district may exclude land as provided by Subchapter
5-20 J, Chapter 49, Water Code. Section 375.044(b), Local Government
5-21 Code, does not apply to the district.

5-22 (c) The district may include and exclude land as provided by
5-23 Sections 54.739-54.747, Water Code. A reference in those sections
5-24 to a "tax" means an ad valorem tax for the purposes of this
5-25 subsection.

5-26 (d) If the district adopts a sales and use tax authorized at
5-27 an election held under Section 3975.0602 and subsequently includes
5-28 new territory in the district under this section, the district:

5-29 (1) is not required to hold another election to
5-30 approve the imposition of the sales and use tax in the included
5-31 territory; and

5-32 (2) shall impose the sales and use tax in the included
5-33 territory as provided by Chapter 321, Tax Code.

5-34 (e) If the district adopts a sales and use tax authorized at
5-35 an election held under Section 3975.0602 and subsequently excludes
5-36 territory in the district under this section, the sales and use tax
5-37 is inapplicable to the excluded territory, as provided by Chapter
5-38 321, Tax Code, but is applicable to the territory remaining in the
5-39 district.

5-40 Sec. 3975.0314. DISBURSEMENTS AND TRANSFERS OF MONEY. The
5-41 board by resolution shall establish the number of directors'
5-42 signatures and the procedure required for a disbursement or
5-43 transfer of district money.

5-44 Sec. 3975.0315. AUDIT EXEMPTION. (a) The district may
5-45 elect to complete an annual financial report in lieu of an annual
5-46 audit under Section 375.096(a)(6), Local Government Code, if:

5-47 (1) the district had no bonds or other long-term (more
5-48 than one year) liabilities outstanding during the fiscal period;

5-49 (2) the district did not have gross receipts from
5-50 operations, loans, taxes, assessments, or contributions in excess
5-51 of \$250,000 during the fiscal period; and

5-52 (3) the district's cash and temporary investments were
5-53 not in excess of \$250,000 during the fiscal period.

5-54 (b) Each annual financial report prepared in accordance
5-55 with this section must be open to public inspection and accompanied
5-56 by an affidavit signed by a duly authorized representative of the
5-57 district attesting to the accuracy and authenticity of the
5-58 financial report.

5-59 (c) The annual financial report and affidavit shall be
5-60 substantially similar in form to the annual financial report and
5-61 affidavit forms prescribed by the executive director of the
5-62 commission under Section 49.198, Water Code.

5-63 Sec. 3975.0316. NO EMINENT DOMAIN POWER. The district may
5-64 not exercise the power of eminent domain.

5-65 SUBCHAPTER D. ASSESSMENTS

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

6-1 improvement has been filed with the board.
 6-2 (b) A petition filed under Subsection (a) must be signed by
 6-3 the owners of a majority of the assessed value of real property in
 6-4 the district subject to assessment according to the most recent
 6-5 certified tax appraisal roll for the county.
 6-6 Sec. 3975.0402. METHOD OF NOTICE FOR HEARING. The district
 6-7 may mail the notice required by Section 375.115(c), Local
 6-8 Government Code, by certified or first class United States mail.
 6-9 The board shall determine the method of notice.
 6-10 Sec. 3975.0403. ASSESSMENTS; LIENS FOR ASSESSMENTS.
 6-11 (a) The board by resolution may impose and collect an assessment
 6-12 for any purpose authorized by this chapter in all or any part of the
 6-13 district.
 6-14 (b) An assessment, a reassessment, or an assessment
 6-15 resulting from an addition to or correction of the assessment roll
 6-16 by the district, penalties and interest on an assessment or
 6-17 reassessment, an expense of collection, and reasonable attorney's
 6-18 fees incurred by the district:
 6-19 (1) are a first and prior lien against the property
 6-20 assessed;
 6-21 (2) are superior to any other lien or claim other than
 6-22 a lien or claim for county, school district, or municipal ad valorem
 6-23 taxes; and
 6-24 (3) are the personal liability of and a charge against
 6-25 the owners of the property even if the owners are not named in the
 6-26 assessment proceedings.
 6-27 (c) The lien is effective from the date of the board's
 6-28 resolution imposing the assessment until the date the assessment is
 6-29 paid. The board may enforce the lien in the same manner that the
 6-30 board may enforce an ad valorem tax lien against real property.
 6-31 (d) The board may make a correction to or deletion from the
 6-32 assessment roll that does not increase the amount of assessment of
 6-33 any parcel of land without providing notice and holding a hearing in
 6-34 the manner required for additional assessments.
 6-35 SUBCHAPTER E. TAXES AND BONDS
 6-36 Sec. 3975.0501. TAX ELECTION REQUIRED. The district must
 6-37 hold an election in the manner provided by Chapter 49, Water Code,
 6-38 or, if applicable, Chapter 375, Local Government Code, to obtain
 6-39 voter approval before the district may impose an ad valorem tax.
 6-40 Sec. 3975.0502. OPERATION AND MAINTENANCE TAX. (a) If
 6-41 authorized by a majority of the district voters voting at an
 6-42 election under Section 3975.0501, the district may impose an
 6-43 operation and maintenance tax on taxable property in the district
 6-44 in the manner provided by Section 49.107, Water Code, for any
 6-45 district purpose, including to:
 6-46 (1) maintain and operate the district;
 6-47 (2) construct or acquire improvements; or
 6-48 (3) provide a service.
 6-49 (b) The board shall determine the operation and maintenance
 6-50 tax rate. The rate may not exceed the rate approved at the
 6-51 election.
 6-52 (c) Section 49.107(h), Water Code, does not apply to the
 6-53 district.
 6-54 Sec. 3975.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE
 6-55 BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on
 6-56 terms determined by the board.
 6-57 (b) The district, by competitive bid or negotiated sale, may
 6-58 issue bonds, notes, or other obligations payable wholly or partly
 6-59 from ad valorem taxes, assessments, impact fees, revenue, contract
 6-60 payments, grants, or other district money, or any combination of
 6-61 those sources of money, to pay for any authorized district purpose.
 6-62 (c) The limitation on the outstanding principal amount of
 6-63 bonds, notes, or other obligations provided by Section 49.4645,
 6-64 Water Code, does not apply to the district.
 6-65 Sec. 3975.0504. BONDS SECURED BY REVENUE OR CONTRACT
 6-66 PAYMENTS. The district may issue, without an election, bonds
 6-67 secured by:
 6-68 (1) revenue other than ad valorem taxes, including
 6-69 contract revenues; or

7-1 (2) contract payments, provided that the requirements
 7-2 of Section 49.108, Water Code, have been met.

7-3 Sec. 3975.0505. BONDS SECURED BY AD VALOREM TAXES;
 7-4 ELECTIONS. (a) If authorized at an election under Section
 7-5 3975.0501, the district may issue bonds payable from ad valorem
 7-6 taxes.

7-7 (b) Section 375.243, Local Government Code, does not apply
 7-8 to the district.

7-9 (c) At the time the district issues bonds payable wholly or
 7-10 partly from ad valorem taxes, the board shall provide for the annual
 7-11 imposition of a continuing direct annual ad valorem tax, without
 7-12 limit as to rate or amount, for each year that all or part of the
 7-13 bonds are outstanding as required and in the manner provided by
 7-14 Sections 54.601 and 54.602, Water Code.

7-15 (d) All or any part of any facilities or improvements that
 7-16 may be acquired by a district by the issuance of its bonds may be
 7-17 submitted as a single proposition or as several propositions to be
 7-18 voted on at the election.

7-19 Sec. 3975.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The
 7-20 board may not issue bonds until each municipality in whose
 7-21 corporate limits or extraterritorial jurisdiction the district is
 7-22 located has consented by ordinance or resolution to the creation of
 7-23 the district and to the inclusion of land in the district.

7-24 (b) This section applies only to the district's first
 7-25 issuance of bonds payable from ad valorem taxes.

7-26 SUBCHAPTER F. SALES AND USE TAX

7-27 Sec. 3975.0601. APPLICABILITY OF CERTAIN TAX CODE
 7-28 PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition,
 7-29 computation, administration, enforcement, and collection of the
 7-30 sales and use tax authorized by this subchapter except to the extent
 7-31 Chapter 321, Tax Code, is inconsistent with this chapter.

7-32 (b) A reference in Chapter 321, Tax Code, to a municipality
 7-33 or the governing body of a municipality is a reference to the
 7-34 district or the board, respectively.

7-35 Sec. 3975.0602. ELECTION; ADOPTION OF TAX. (a) The
 7-36 district may adopt a sales and use tax if authorized by a majority
 7-37 of the voters of the district voting at an election held for that
 7-38 purpose.

7-39 (b) The board by order may call an election to authorize the
 7-40 adoption of the sales and use tax. The election may be held on any
 7-41 uniform election date and in conjunction with any other district
 7-42 election.

7-43 (c) The ballot shall be printed to provide for voting for or
 7-44 against the proposition: "Authorization of a sales and use tax in
 7-45 the Richfield Ranch Management District of Harris County, Texas, at
 7-46 a rate not to exceed _____ percent" (insert rate of one or more
 7-47 increments of one-eighth of one percent).

7-48 Sec. 3975.0603. SALES AND USE TAX RATE. (a) On or after
 7-49 the date the results are declared of an election held under Section
 7-50 3975.0602, at which the voters approved imposition of the tax
 7-51 authorized by this subchapter, the board shall determine and adopt
 7-52 by resolution or order the initial rate of the tax, which must be in
 7-53 one or more increments of one-eighth of one percent.

7-54 (b) After the election held under Section 3975.0602, the
 7-55 board may increase or decrease the rate of the tax by one or more
 7-56 increments of one-eighth of one percent.

7-57 (c) The initial rate of the tax or any rate resulting from
 7-58 subsequent increases or decreases may not exceed the lesser of:

7-59 (1) the maximum rate authorized by the district voters
 7-60 at the election held under Section 3975.0602; or

7-61 (2) a rate that, when added to the rates of all sales
 7-62 and use taxes imposed by other political subdivisions with
 7-63 territory in the district, would result in the maximum combined
 7-64 rate prescribed by Section 321.101(f), Tax Code, at any location in
 7-65 the district.

7-66 Sec. 3975.0604. TAX AFTER MUNICIPAL ANNEXATION. (a) This
 7-67 section applies to the district after a municipality annexes part
 7-68 of the territory in the district and imposes the municipality's
 7-69 sales and use tax in the annexed territory.

8-1 (b) If at the time of annexation the district has
8-2 outstanding debt or other obligations payable wholly or partly from
8-3 district sales and use tax revenue, Section 321.102(g), Tax Code,
8-4 applies to the district.

8-5 (c) If at the time of annexation the district does not have
8-6 outstanding debt or other obligations payable wholly or partly from
8-7 district sales and use tax revenue, the district may:

8-8 (1) exclude the annexed territory from the district,
8-9 if the district has no outstanding debt or other obligations
8-10 payable from any source; or

8-11 (2) reduce the sales and use tax in the annexed
8-12 territory by resolution or order of the board to a rate that, when
8-13 added to the sales and use tax rate imposed by the municipality in
8-14 the annexed territory, is equal to the sales and use tax rate
8-15 imposed by the district in the district territory that was not
8-16 annexed by the municipality.

8-17 Sec. 3975.0605. NOTIFICATION OF RATE CHANGE. The board
8-18 shall notify the comptroller of any changes made to the tax rate
8-19 under this subchapter in the same manner the municipal secretary
8-20 provides notice to the comptroller under Section 321.405(b), Tax
8-21 Code.

8-22 Sec. 3975.0606. USE OF REVENUE. Revenue from the sales and
8-23 use tax imposed under this subchapter is for the use and benefit of
8-24 the district and may be used for any district purpose. The district
8-25 may pledge all or part of the revenue to the payment of bonds,
8-26 notes, or other obligations, and that pledge of revenue may be in
8-27 combination with other revenue, including tax revenue, available to
8-28 the district.

8-29 Sec. 3975.0607. ABOLITION OF TAX. (a) Except as provided
8-30 by Subsection (b), the board may abolish the tax imposed under this
8-31 subchapter without an election.

8-32 (b) The board may not abolish the tax imposed under this
8-33 subchapter if the district has outstanding debt secured by the tax,
8-34 and repayment of the debt would be impaired by the abolition of the
8-35 tax.

8-36 (c) If the board abolishes the tax, the board shall notify
8-37 the comptroller of that action in the same manner the municipal
8-38 secretary provides notice to the comptroller under Section
8-39 321.405(b), Tax Code.

8-40 (d) If the board abolishes the tax or decreases the tax rate
8-41 to zero, a new election to authorize a sales and use tax must be held
8-42 under Section 3975.0602 before the district may subsequently impose
8-43 the tax.

8-44 (e) This section does not apply to a decrease in the sales
8-45 and use tax authorized under Section 3975.0604(c)(2).

8-46 SUBCHAPTER I. DISSOLUTION

8-47 Sec. 3975.0901. DISSOLUTION. (a) The board shall dissolve
8-48 the district on written petition filed with the board by the owners
8-49 of:

8-50 (1) 66 percent or more of the assessed value of the
8-51 property subject to assessment by the district based on the most
8-52 recent certified county property tax rolls; or

8-53 (2) 66 percent or more of the surface area of the
8-54 district, excluding roads, streets, highways, utility
8-55 rights-of-way, other public areas, and other property exempt from
8-56 assessment by the district according to the most recent certified
8-57 county property tax rolls.

8-58 (b) The board by majority vote may dissolve the district at
8-59 any time.

8-60 (c) The district may not be dissolved by its board under
8-61 Subsection (a) or (b) if the district:

8-62 (1) has any outstanding bonded indebtedness until that
8-63 bonded indebtedness has been repaid or defeased in accordance with
8-64 the order or resolution authorizing the issuance of the bonds;

8-65 (2) has a contractual obligation to pay money until
8-66 that obligation has been fully paid in accordance with the
8-67 contract; or

8-68 (3) owns, operates, or maintains public works,
8-69 facilities, or improvements unless the district contracts with

9-1 another person for the ownership, operation, or maintenance of the
9-2 public works, facilities, or improvements.

9-3 (d) Sections 375.261, 375.262, and 375.264, Local
9-4 Government Code, do not apply to the district.

9-5 SECTION 2. The Richfield Ranch Management District of
9-6 Harris County, Texas, initially includes all the territory
9-7 contained in the following area:

9-8 Being a 296.69 acre tract of land located within the John W.
9-9 Baker Survey, A-116, the Edward Goodsir Survey, A-285, and the
9-10 H.T.&B.R.R. Co. Survey, A-402, all in Harris County, Texas; said
9-11 296.69 acre tract being a part of a call 2523.670 acre tract of land
9-12 recorded in Clerk's File Number U036618 of the Official Public
9-13 Records of Real Property of Harris County (O.P.R.R.P.H.C); said
9-14 296.69 acre tract being more particularly described by metes and
9-15 bounds as follows (all bearings are referenced to the south line of
9-16 said 2523.670 acre tract):

9-17 Beginning at a 3/4-inch iron rod found at an interior corner
9-18 of said 2523.670 acre tract and the northeast corner of a call 3.220
9-19 acre tract of land recorded in Volume 6368, Page 357 of the Harris
9-20 County Deed Records (H.C.D.R.), and being on the south Right-of-Way
9-21 (R.O.W.) line of the Union Pacific Railroad (100 feet wide)
9-22 recorded in Volume 964, Page 88 of the H.C.D.R.;

9-23 1. Thence with common line of said 2523.670 acre tract and
9-24 said Union Pacific Railroad, South 68 degrees 09 minutes 04 seconds
9-25 East, a distance of 3,468.29 feet to the west R.O.W. line of State
9-26 Highway 99 (Grand Parkway) recorded in Clerk's File Number
9-27 20120310531 of the O.P.R.R.P.H.C.;

9-28 Thence, with said west R.O.W. line, the following thirteen
9-29 (13) courses

9-30 2. South 03 degrees 24 minutes 19 seconds East, a distance
9-31 of 389.11 feet;

9-32 3. South 14 degrees 45 minutes 04 seconds East, a distance
9-33 of 620.00 feet;

9-34 4. South 02 degrees 04 minutes 37 seconds East, a distance
9-35 of 182.04 feet;

9-36 5. 843.74 feet along the arc of a curve to the right, said
9-37 curve having a central angle of 04 degrees 17 minutes 37 seconds, a
9-38 radius of 11,259.16 feet and a chord that bears South 00 degrees 04
9-39 minutes 11 seconds West, a distance of 843.54 feet;

9-40 6. South 02 degrees 12 minutes 59 seconds West, a distance
9-41 of 74.10 feet;

9-42 7. South 47 degrees 12 minutes 59 seconds West, a distance
9-43 of 49.50 feet;

9-44 8. South 02 degrees 12 minutes 59 seconds West, a distance
9-45 of 100.00 feet;

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

9-48 10. South 02 degrees 12 minutes 59 seconds West, a distance
9-49 of 1,486.42 feet;

9-50 11. 1,398.54 feet along the arc of a curve to the left, said
9-51 curve having a central angle of 03 degrees 27 minutes 58 seconds, a
9-52 radius of 23,118.32 feet and a chord that bears South 00 degrees 29
9-53 minutes 00 seconds West, a distance of 1,398.33 feet;

9-54 12. South 01 degrees 14 minutes 59 seconds East, a distance
9-55 of 1,972.40 feet;

9-56 13. South 43 degrees 22 minutes 43 seconds West, a distance
9-57 of 71.17 feet;

9-58 14. South 01 degrees 14 minutes 59 seconds East, a distance
9-59 of 70.13 feet to the common line of aforesaid 2523.670 acre tract
9-60 and a call 1158.2 acre tract recorded in Volume 3131, Page 393 of
9-61 the H.C.D.R.;

9-62 15. Thence, with said common line, South 88 degrees 00
9-63 minutes 19 seconds West, a distance of 1,250.11 feet;

9-64 Thence, through said 2523.670 acre tract, the following five
9-65 (5) courses:

9-66 16. North 01 degrees 14 minutes 59 seconds West, a distance
9-67 of 2,109.44 feet;

9-68 17. 1,477.19 feet along the arc of a curve to the right, said
9-69 curve having a central angle of 03 degrees 27 minutes 58 seconds, a

10-1 radius of 24,418.32 feet and a chord that bears North 00 degrees 29
10-2 minutes 00 seconds East, a distance of 1,476.96 feet;

10-3 18. North 02 degrees 12 minutes 59 seconds East, a distance
10-4 of 1,730.52 feet;

10-5 19. 1,014.11 feet along the arc of a curve to the left, said
10-6 curve having a central angle of 05 degrees 50 minutes 03 seconds, a
10-7 radius of 9,959.16 feet and a chord that bears North 00 degrees 42
10-8 minutes 03 seconds West, a distance of 1,013.67 feet;

10-9 20. North 68 degrees 09 minutes 04 seconds West, a distance
10-10 of 2,829.49 feet to the common line of said 2523.670 acre tract and
10-11 a call 523.376 acre tract of land recorded in Clerk's File Number
10-12 H793053 of the O.P.R.R.H.C.;

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

10-15 22. Thence, through said 2523.670 acre tract, North 27
10-16 degrees 35 minutes 08 seconds East, at a distance of 306.42 feet
10-17 passing an interior corner of said 2523.670 acre tract and the south
10-18 corner of aforesaid 3.220 acre tract, in all, a total distance of
10-19 1161.59 feet to the Point of Beginning and containing 296.69 acres
10-20 of land.

10-21 SECTION 3. (a) The legal notice of the intention to
10-22 introduce this Act, setting forth the general substance of this
10-23 Act, has been published as provided by law, and the notice and a
10-24 copy of this Act have been furnished to all persons, agencies,
10-25 officials, or entities to which they are required to be furnished
10-26 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
10-27 Government Code.

10-28 (b) The governor, one of the required recipients, has
10-29 submitted the notice and Act to the Texas Commission on
10-30 Environmental Quality.

10-31 (c) The Texas Commission on Environmental Quality has filed
10-32 its recommendations relating to this Act with the governor,
10-33 lieutenant governor, and speaker of the house of representatives
10-34 within the required time.

10-35 (d) All requirements of the constitution and laws of this
10-36 state and the rules and procedures of the legislature with respect
10-37 to the notice, introduction, and passage of this Act have been
10-38 fulfilled and accomplished.

10-39 SECTION 4. This Act takes effect immediately if it receives
10-40 a vote of two-thirds of all the members elected to each house, as
10-41 provided by Section 39, Article III, Texas Constitution. If this
10-42 Act does not receive the vote necessary for immediate effect, this
10-43 Act takes effect September 1, 2019.

10-44 * * * * *