A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 376, Local Government Code, is amended by adding Subchapter ___ to read as follows:

SUBCHAPTER . ENERGY CORRIDOR MANAGEMENT DISTRICT

Sec. 376. . CREATION OF DISTRICT. (a) The Energy Corridor Management District is created as a special district under Section 59, Article XVI, Texas Constitution.

(b) The board by resolution may change the district's name.

(c) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this subchapter.

Sec. 376. . DECLARATION OF INTENT. (a) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, arts, entertainment, economic development, safety, and the public welfare in the area of the district.

(b) The creation of the district and this legislation are not to be interpreted to relieve the county or the municipality from providing the level of services, as of the effective date of this subchapter, to the area in the district or to release the
county or the municipality from the obligations each entity has to provide services to that area. The district is created to supplement and not supplant the municipal or county services provided in the area in the district.

(c) By creating the district and in authorizing the municipality, county, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

Sec. 376.303. DEFINITIONS. In this subchapter:

(1) "Board" means the board of directors of the district.

(2) "County" means Harris County.

(3) "District" means the Energy Corridor Management District.

(4) "Municipality" means the City of Houston.

(5) "Utility" means a person that provides to the public gas, electricity, telephone, sewage, or water service.

Sec. 376. . BOUNDARIES. The district includes all the territory contained within the following described area:

BEGINNING at a point at the intersection of the south right-of-way line of Interstate Highway 10 and the west right-of-way line of North Kirkwood Road;

THENCE in a southerly direction with the west right-of-way line of said North Kirkwood Road to the north line Nottingham West, Section 3;

THENCE in a southwesterly direction with the north line of
said Nottingham West, Section 3, to the east line of Memorial Club
Townhomes, Section 2;

THENCE in a northerly direction with the east line of said
Memorial Club Townhomes, Section 2, to the northeast corner of said
Memorial Club Townhomes, Section 2;

THENCE in a westerly direction with the north line of said
Memorial Club Townhomes, Section 2, to the cul-de-sac south
right-of-way line of Lost Meadow Lane;

THENCE in a westerly direction with the south right-of-way
line of said Lost Meadow Lane projected to the east right-of-way
line of Still Meadow Drive;

THENCE in a southerly and westerly direction with the east
and south right-of-way line of said Still Meadow Drive to the east
right-of-way line of Tully Road;

THENCE in a southerly direction with the east right-of-way
line of said Tully Road to a line approximately 267 feet south of
the south right-of-way line of St. Mary's Street;

THENCE in a westerly direction with said line to the east
right-of-way line of Dairy Ashford Road;

THENCE in a southerly direction with the east right-of-way
line of said Dairy Ashford Road to the south right-of-way line of
Barryknoll Lane;

THENCE in a northwesterly direction with the south
right-of-way line of said Barryknoll Lane to the southeast
right-of-way line of Threadneedle Street;

THENCE in a northerly direction with the southeast
right-of-way line of Threadneedle Street to the south right-of-way
line of said Interstate Highway 10;

THENCE in a westerly direction with the south right-of-way line of said Interstate Highway 10 to the west line of a Harris County Flood Control Ditch and the west line of London Lane Townhomes;

THENCE in a southerly direction with the west line of said London Lane Townhomes and the east line of Memorial Oaks Cemetery to the southwest corner of West Bayou Oaks Townhomes;

THENCE in an easterly direction with the south line of said West Bayou Oaks Townhomes and a north line of said Memorial Oaks Cemetery to the south right-of-way line of said Barryknoll Lane;

THENCE in a southerly direction with the east line of said Memorial Oaks Cemetery approximately 320 feet to a point;

THENCE in an easterly direction continuing with the east line of said Memorial Oaks Cemetery approximately 151 feet to a point;

THENCE in a southerly direction continuing with the east line of said Memorial Oaks Cemetery to the north line of Thornwood, Section 4;

THENCE in a westerly direction with a south line of said Memorial Oaks Cemetery and the north line of said Thornwood, Section 4, to the most westerly northwest corner of said Thornwood, Section 4;

THENCE in a southwesterly direction with the west line of said Thornwood, Section 4, and a southeast line of said Memorial Oaks Cemetery to the southwest right-of-way line of Memorial Drive and the north line of Woods on Memorial, Section 1;

THENCE in a westerly direction with the north line of Woods
on Memorial, Section 1, to the east right-of-way line of Eldridge Road;

THENCE in a southwesterly direction with the east right-of-way line of said Eldridge Road to the northeast line of Buffalo Bayou;

THENCE in a southeasterly direction with the east line of said Buffalo Bayou to the southeast line of Turkey Creek Townhomes;

THENCE in an easterly direction with the south line of said Turkey Creek Townhomes and Turkey Creek Estates to the southeast corner of said Turkey Creek Estates;

THENCE in a northerly direction with the east line of said Turkey Creek Estates to the south line of Turkey Trail subdivision;

THENCE in an easterly direction with the south line of said Turkey Trail subdivision to the west right-of-way line of said Memorial Drive;

THENCE in a southeasterly direction with the west right-of-way line of said Memorial Drive to the west right-of-way line of Nottingham Oaks Trail;

THENCE in a southerly direction with the west right-of-way line of said Nottingham Oaks Trail to the north line of Nottingham Forest, Section 8;

THENCE in a westerly direction with the north line of said Nottingham Forest, Section 8, to the east line of said Buffalo Bayou;

THENCE in a southeasterly direction with the east line of said Buffalo Bayou to the east line of the J. Wheaton Survey, A-80;

THENCE in a southerly direction with the east line of said J.
Wheaton Survey, A-80 to the south line of the said Myriad
Apartments;

THENCE in a westerly direction with the south line of the
Myriad Apartments to the east line of Lakeside Enclave subdivision;

THENCE in a northerly direction with the east line of
Lakeside Enclave subdivision to the south right-of-way line of
Briar Forest Drive;

THENCE in a westerly direction with the south right-of-way
line of said Briar Forest Drive to the west line of said Lakeside
Enclave subdivision;

THENCE in a southerly direction with the west line of said
Lakeside Enclave subdivision to the north line of Parkway Plaza, Section 2;

THENCE in a westerly direction with the north line of said
Parkway Plaza, Section 2, to the east right-of-way line of Eldridge
Road;

THENCE in a southerly direction with the east right-of-way
line of said Eldridge Road to the north right-of-way line of
Whittington Court;

THENCE in a westerly direction with the projected north
right-of-way line of said Whittington Court and south line of
Eldridge Road Apartments to the west line of said Eldridge Road
Apartments;

THENCE in a northerly direction with the west line of said
Eldridge Road Apartments and the east line of Lakes of Parkway,
Section 1, to the south right-of-way line of Goar Road;

THENCE in a westerly direction with the south right-of-way
line of said Goar Road to the east line of Lakes of Parkway,
Section 2;

THENCE in a northerly direction with the east line of said
Lakes of Parkway, Section 2, to the south right-of-way line of
Briar Forest Drive;

THENCE in a northerly direction with the east line of Parkway
Villages, Section 6, to the interior corner of said Parkway
Villages, Section 6;

THENCE in an easterly direction with the south line of said
Parkway Villages, Section 6, to the west right-of-way line of Park
Bayou Drive;

THENCE in a northerly direction with the west right-of-way
line of said Park Bayou Drive to the south right-of-way line of
Westerloch Drive;

THENCE in a westerly direction with the south right-of-way
line of said Westerloch Drive to the east right-of-way line of said
Park Bayou Drive;

THENCE in a northerly direction with the east right-of-way
line of said Park Bayou Drive to the north right-of-way line of
Briarhurst Drive;

THENCE in an easterly direction with the north right-of-way
line of said Briarhurst Drive to the west right-of-way line of
Eldridge Road;

THENCE in a northerly direction with the west right-of-way
line of said Eldridge Road to the north right-of-way line of
Parkway Plaza Drive;

THENCE in a northerly direction with the east line of Park on
Enclave subdivision crossing Enclave Parkway to the north line of
said Buffalo Bayou and the south line of Memorial Thicket, Section
3;

THENCE in an easterly direction with the north line of said
Buffalo Bayou and the south line of said Memorial Thicket, Section
3, to the west right-of-way line of South Mayde Drive;

THENCE in a northerly direction with the west right-of-way
line of said South Mayde Drive to the northeast corner of said
Memorial Thicket, Section 3;

THENCE in a westerly direction with the north line of said
Memorial Thicket, Section 3, to the northwest corner of said
Memorial Thicket, Section 3, located in the east line of Memorial
Thicket, Section 1;

THENCE in a northerly direction with the east line of said
Memorial Thicket, Section 1, to the northeast corner of said
Memorial Thicket, Section 1;

THENCE in a northwesterly direction with the north line of
said Memorial Thicket, Section 1, to the north right-of-way line of
Memorial Drive at the west right-of-way of Westlake Park Boulevard;

THENCE in a southwesterly direction with the north
right-of-way line of said Memorial Drive to the northeast corner of
Barker Place Townhomes;

THENCE in a westerly direction with the north line of said
Barker Place Townhomes to the east line of Barker Court Townhomes;

THENCE in a northerly direction with the east line of said
Barker Court Townhomes to the northeast corner of Barkers Landing
subdivision located in the south right-of-way line of Grisby Road;
THENCE in a westerly direction with the south right-of-way line of said Grisby Road to the northwest corner of said Barkers Landing, Section 3;

THENCE in a southerly direction with the west line of said Barkers Landing, Section 3, to the north right-of-way line of North Barker's Landing Road;

THENCE in a westerly direction with the north right-of-way line of said North Barker's Landing Road to the east right-of-way line of Addicks Howell Road;

THENCE in a southerly direction with the east right-of-way line of said Addicks Howell Road to the north right-of-way line of said Memorial Drive;

THENCE in a westerly direction with the north right-of-way line of said Memorial Drive to the levee of Barker Reservoir;

THENCE in a northerly and westerly direction with the levee of said Barker Reservoir and to the west right-of-way line of Cypress Run;

THENCE in a northerly direction with the west right-of-way line of said Cypress Run to the northeast corner of Green Trails Crossing, Section 3;

THENCE in a westerly direction with the north line of said Green Trails Crossing, Section 3, to the northwest corner of said Green Trails Crossing, Section 3;

THENCE in a northerly direction with the projected west line of said Green Trails Crossing, Section 3, to the south right-of-way line of Interstate Highway 10;

THENCE in a northerly direction crossing Interstate Highway.
10 and continuing with the west right-of-way line of Crush Avenue
to the levee of Addicks Reservoir;

    THENCE in an easterly direction with the levee of said
Addicks Reservoir to the west line of Westwick, Section 1;

    THENCE in a southerly direction with the west line of said
Westwick, Section 1, to the southwest corner of Westwick, Section
1;

    THENCE in an easterly direction with the south line of said
Westwick, Section 1, to the west right-of-way line of North
Kirkwood Road;

    THENCE in a southerly direction with the west right-of-way
line of said North Kirkwood Road to the POINT OF BEGINNING
save and except the entire limits of the Addicks Dam Subdivision
located north of Old Katy Road and West of Eldridge Parkway.

Sec. 376. . FINDINGS RELATING TO BOUNDARIES. The boundaries
and field notes of the district form a closure. If a mistake is
made in the field notes or in copying the field notes in the
legislative process, it does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes
for which the district is created or to pay the principal of and
interest on a bond;

(3) right to impose or collect an assessment; or

(4) legality or operation.

Sec. 376. . FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
All the land and other property included in the district will be
benefitted by the improvements and services to be provided by the
district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this subchapter, and the district is created to serve a public use and benefit.

(b) The creation of the district is in the public interest and is essential to:

(1) further the public purposes of the development and diversification of the economy of the state; and

(2) eliminate unemployment and underemployment and develop or expand transportation and commerce.

(c) The district will:

(1) promote the health, safety, and general welfare of residents, employers, employees, visitors, consumers in the district, and the general public;

(2) provide needed funding for the area in the district to preserve, maintain, and enhance the economic health and vitality of the area as a community and business center; and

(3) further promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic and aesthetic beauty.

(d) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.
(e) The district will not act as the agent or
instrumentality of any private interest even though many private
interests will be benefitted by the district, as will the general
public.

Sec. 376. . APPLICATION OF OTHER LAW. Except as otherwise
provided by this subchapter:

(1) Chapter 375 applies to the district, its governing
body, and its employees; and

(2) the district has rights and powers of a district
created under Chapter 375.

Sec. 376. . LIBERAL CONSTRUCTION OF SUBCHAPTER. This
subchapter shall be liberally construed in conformity with the
findings and purposes stated in this subchapter.

Sec. 376. . BOARD OF DIRECTORS IN GENERAL. (a) The
district is governed by a board of nine directors who serve
staggered terms of four years, with four directors' terms expiring
June 1 of an odd-numbered year and five directors' terms expiring
June 1 of the following odd-numbered year.

(b) A director may receive compensation as provided by
Section 49.060, Water Code.

Sec. 376. . APPOINTMENT OF DIRECTORS. (a) The mayor and
members of the governing body of the municipality shall appoint
directors from persons recommended by the board. A person is
appointed if a majority of the members and the mayor vote to
appoint that person.

(b) A person may not be appointed to the board if the
appointment of that person would result in less than two-thirds of
the directors residing in the municipality.

(c) District directors are public officials entitled to governmental immunity for their official actions.

Sec. 376. EX OFFICIO BOARD MEMBERS. (a) The following persons shall serve as a nonvoting ex officio director:

(1) the director of the following departments of the municipality:

(A) parks and recreation;
(B) planning and development;
(C) public works; and
(D) civic center;

(2) the municipality's chief of police;

(3) the director of the engineering division of the county department of public infrastructure;

(4) the Houston district engineer for the Texas Department of Transportation; and

(5) the county's general manager of the Metropolitan Transit Authority; and

(5) the presidents of any institutions of higher learning located in the district.

(b) If a department described by Subsection (a) is consolidated, renamed, or changed, the board may appoint a director of the consolidated, renamed, or changed department as a nonvoting ex officio board member. If a department described by Subsection (a) is abolished, the board may appoint a representative of another department of the municipality that performs duties comparable to those performed by the abolished department.
Sec. 376. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT. (a) Except as provided in this section:

(1) a director may participate in all board votes and decisions; and

(2) Chapter 171 governs conflict of interests for board members.

(b) Section 171.004 does not apply to the district. A director who has a substantial interest in a business or charitable entity that will receive a pecuniary benefit from a board action shall file a one-time affidavit declaring the interest. An additional affidavit is not required if the director's interest changes. After the affidavit is filed with the board secretary, the director may participate in a discussion or vote on that action if:

(1) a majority of the directors have a similar interest in the same entity; or

(2) all other similar business or charitable entities in the district will receive a similar pecuniary benefit.

(c) A director who is also an officer or employee of a public entity may not participate in the discussion of or vote on a matter regarding a contract with that same public entity.

(d) For purposes of this section, a director has a substantial interest in a charitable entity in the same manner that a person would have a substantial interest in a business entity under Section 171.002.

Sec. 376. ADDITIONAL POWERS OF DISTRICT. (a) The district may exercise the powers given to a corporation created under Section 4B, Development Corporation Act of 1979 (Article
5190.6, Vernon's Texas Civil Statutes).

(b) The district may exercise the powers given to a housing
finance corporation created under Chapter 394 to provide housing or
residential development projects in the district.

(c) The district may finance, acquire, construct, improve,
operate, maintain, or charge fees for the use of telecommunications
networks, fiber-optic cable, electronic transmission lines, or
other types of transmission lines and supporting facilities, or
conduits for such lines or facilities.

Sec. 376. AGREEMENTS: GENERAL; DONATIONS, INTERLOCAL
AGREEMENTS, AND LAW ENFORCEMENT SERVICES. (a) The district may
make an agreement with or accept a donation, grant, or loan from
any person.

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

(c) To protect the public interest, the district may
contract with the municipality or the county for the municipality
or county to provide law enforcement services in the district for a
fee.

Sec. 376. NONPROFIT CORPORATION. (a) The board by
resolution may authorize the creation of a nonprofit corporation to
assist and act on behalf of the district in implementing a project
or providing a service authorized by this subchapter.

(b) The board shall appoint the board of directors of a
nonprofit corporation created under this section. The board of
directors of the nonprofit corporation shall serve in the same
manner, term, and conditions as a board of directors of a local
government corporation created under Chapter 431, Transportation
Code.

(c) A nonprofit corporation created under this section has
the powers of and is considered for purposes of this subchapter to
be a local government corporation created under Chapter 431,
Transportation Code.

(d) A nonprofit corporation created under this section may
implement any project and provide any service authorized by this
subchapter.

Sec. 376. . PETITION REQUIRED FOR FINANCING SERVICES AND
IMPROVEMENTS. The board may not finance a service or improvement
project under this subchapter unless a written petition requesting
the improvement or service has been filed with the board. The
petition must be signed by:

(1) the owners of a majority of the assessed value of
real property in the district as determined by the most recent
certified county property tax rolls; or

(2) at least 25 persons who own land in the district,
if there are more than 25 persons who own property in the district
as determined by the most recent certified county property tax
rolls.

Sec. 376. . ELECTIONS. (a) In addition to the elections
the district must hold under Subchapter L, Chapter 375, the
district shall hold an election in the manner provided by that
subchapter to obtain voter approval before the district imposes a
maintenance tax or issues bonds payable from ad valorem taxes or
assessments.

(b) The board may include more than one purpose in a single
proposition at an election.

Sec. 376. MAINTENANCE TAX. (a) If authorized at an
election held in accordance with Section 376., the district may
impose and collect an annual ad valorem tax on taxable property in
the district for the maintenance and operation of the district and
the improvements constructed or acquired by the district or for the
provision of services.

(b) The board shall determine the tax rate.

Sec. 376. ASSESSMENTS. (a) The board may impose and
collect an assessment for any purpose authorized by this
subchapter.

(b) Assessments, including assessments resulting from an
addition to or correction of the assessment roll by the district,
reassessments, penalties and interest on an assessment or
reassessment, expenses of collection, and reasonable attorney's
fees incurred by the district:

(1) are a first and prior lien against the property
assessed;

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

(3) are the personal liability of and charge against
the owners of the property even if the owners are not named in the
assessment proceedings.

(c) The lien is effective from the date of the resolution of
the board imposing the assessment until the assessment is paid.

The board may enforce the lien in the same manner that the board
may enforce an ad valorem tax lien against real property.

Sec. 376. . UTILITIES. The district may not impose an
assessment or impact fee on a utility's property.

Sec. 376. . BONDS. (a) The district may issue bonds or
other obligations payable in whole or in part from ad valorem
taxes, assessments, impact fees, revenues, grants, or other money
of the district, or any combination of those sources of money, to
pay for any authorized purpose of the district.

(b) Bonds or other obligations of the district may be issued
in the form of bonds, notes, certificates of participation,
including other instruments evidencing a proportionate interest in
payments to be made by the district, or other obligations that are
issued in the exercise of the district's borrowing power and may be
issued in bearer or registered form or not represented by an
instrument but the transfer of which is registered on books
maintained by or on behalf of the district.

Sec. 376. . MUNICIPAL APPROVAL. (a) Except as provided by
Subsection (b), the district must obtain approval from the
municipality's governing body of:

(1) the issuance of bonds for an improvement project;

and

(2) the plans and specifications of an improvement
project financed by the bonds.

(b) If the district obtains approval from the municipality's
governing body of a capital improvements budget for a period not to
exceed five years, the district may finance the capital
improvements and issue bonds specified in the budget without
further approval from the municipality.
   (c) The district must obtain approval from the
municipality's governing body of the plans and specifications of
any district improvement project related to the use of land owned
by the municipality, an easement granted by the municipality, or a
right-of-way of a street, road, or highway.
   (d) Except as provided by Section 375.263, a municipality is
not obligated to pay any bonds, notes, or other obligations of the
district.

Sec. 376. . DISBURSEMENTS OR TRANSFERS OF FUNDS. The board
by resolution shall establish the number of directors' signatures
and the procedure required for a disbursement or transfer of the
district's money.

Sec. 376. . COMPETITIVE BIDDING LIMIT. Section 375.221 does
not apply to the district unless the contract is for more than
$25,000.

Sec. 376. . EXCEPTION FOR DISSOLUTION OF DISTRICT WITH
OUTSTANDING DEBTS. (a) The board may vote to dissolve a district
that has debt. If the vote is in favor of dissolution, the district
shall remain in existence solely for the limited purpose of
discharging its debts. The dissolution is effective when all debts
have been discharged.

(b) Section 375.264 does not apply to the district.

SECTION 2. The legislature finds that:

(1) proper and legal notice of the intention to
introduce this Act, setting forth the general substance of this
Act, has been published as provided by law, and the notice and a
copy of this Act have been furnished to all persons, agencies,
officials, or entities to which they are required to be furnished
by the constitution and laws of this state, including the governor,
who has submitted the notice and Act to the Texas Natural Resource
Conservation Commission;

(2) the Texas Natural Resource Conservation Commission
has filed its recommendations relating to this Act with the
governor, lieutenant governor, and speaker of the house of
representatives within the required time;

(3) the general law relating to consent by political
subdivisions to the creation of districts with conservation,
reclamation, and road powers and the inclusion of land in those
districts has been complied with; and

(4) all requirements of the constitution and laws of
this state and the rules and procedures of the legislature with
respect to the notice, introduction, and passage of this Act have
been fulfilled and accomplished.

SECTION 3. Notwithstanding Section 376.____, Local Government
Code, as added by this Act:

(1) the initial board of directors of the Energy
Corridor Management District consists of:

<table>
<thead>
<tr>
<th>Pos. No.</th>
<th>Name of Board Member</th>
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<tbody>
<tr>
<td>1.</td>
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<tr>
<td>2.</td>
<td></td>
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<tr>
<td>3.</td>
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</table>
(2) of the initial board members, the members appointed for positions 1 through 5 serve until June 1, 2005, and the members appointed for positions 6 through 9 serve until June 1, 2003.

SECTION 4. EFFECTIVE DATE. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2001.
AFFIDAVIT OF PUBLICATION

STATE OF TEXAS:

COUNTY OF HARRIS:

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on the day personally appeared: GAIL FEGINS, who after being duly sworn, says that she is the SUPERVISOR-ACCOUNTS RECEIVABLE at the HOUSTON CHRONICLE, a daily newspaper published in Harris County, Texas, and that the publication, of which the annexed herein, or attached to, is a true and correct copy, was published to-wit:

GAIL FEGINS
SUPERVISOR - ACCOUNTS RECEIVABLE

Sworn and subscribed to before me, this the 18th Day of January A.D. 2001

HAZEL M. CLARK
Notary Public, State of Texas
Commission Expires 02-10-2004

Notary Public in and for the State of Texas
COMMITTEE SUBSTITUTE FOR S.B. No. 1226

A BILL TO BE ENTITLED
AN ACT

relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 376, Local Government Code, is amended by adding Subchapter K to read as follows:

SUBCHAPTER K. ENERGY CORRIDOR MANAGEMENT DISTRICT

Sec. 376.451. CREATION OF DISTRICT. (a) The Energy Corridor Management District is created as a special district under Section 59, Article XVI, Texas Constitution.

(b) The board by resolution may change the district's name.

Sec. 376.452. DECLARATION OF INTENT. (a) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, arts, entertainment, economic development, safety, and the public welfare in the area of the district.

(b) The creation of the district and this legislation are not to be interpreted to relieve the county or the municipality from providing the level of services, as of the effective date of this subchapter, each entity has to provide to the area in the district. The district is created to supplement and not supplant the county or municipal services provided in the area in the district.

(c) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this subchapter.

Sec. 376.453. DEFINITIONS. In this subchapter:

(1) "Board" means the board of directors of the district.

(2) "County" means Harris County, Texas.

(3) "District" means the Energy Corridor Management District.

(4) "Municipality" means the City of Houston, Texas.

Sec. 376.454. BOUNDARIES. The district includes all the territory contained in the following described area:

BEGINNING at a point at the intersection of the south right-of-way line of Interstate Highway 10 and the east right-of-way line of Tully Road;

THENCE in a southerly direction with the east right-of-way line of said Tully Road to a line approximately 267 feet south of the south right-of-way line of St. Mary's Street;

THENCE in a westerly direction with said line to the east right-of-way line of Dairy Ashford Road;

THENCE in a southerly direction with the east right-of-way line of said Dairy Ashford Road to the projected south right-of-way line of Barryknoll Lane;

THENCE in a northwesterly direction with the south right-of-way line of said Barryknoll Lane to the southeast right-of-way line of Threadneedle Street;

THENCE in a northerly direction with the southeast right-of-way line of Threadneedle Street to the south right-of-way line of said Interstate Highway 10;

THENCE in a westerly direction with the south right-of-way line of said Interstate Highway 10 to the west line of a Harris County Flood Control Ditch and the west line of London Townhomes;
C.S.S.B. No. 1226

THENCE in a southerly direction with the west line of said
London Townhomes and the east line of Memorial Oaks Cemetery to the
southwest corner of West Bayou Oaks Townhomes;

THENCE in an easterly direction with the south line of said
West Bayou Oaks Townhomes and a north line of said Memorial Oaks
Cemetery to the northeast corner of Memorial Oaks Cemetery located
in the south right-of-way line of Barryknoll Lane;

THENCE in a southerly direction with the east line of said
Memorial Oaks Cemetery approximately 262 feet to a point;

THENCE in an easterly direction continuing with the east line
of said Memorial Oaks Cemetery approximately 153 feet to a point;

THENCE in a southerly direction continuing with the east line
of said Memorial Oaks Cemetery to the southeast corner of said
Memorial Oaks Cemetery;

THENCE in a southwesterly direction with the south line of
Memorial Oaks Cemetery and the north line of said Thornwood,
Section 1, to an angle point in the east line of Thornwood, Section
4 and the north line of Thornwood, Section 1;

THENCE in a northerly direction with the east line of said
Thornwood, Section 4 to the northeast corner of said Thornwood,
Section 4;

THENCE west with the north line of said Thornwood, Section 4
to the most northerly northwest corner of said Thornwood, Section
4;

THENCE in a southerly direction with the west line of said
Thornwood, Section 4 to a point on the west line of said Thornwood,
Section 4;

THENCE in a westerly direction with the west line of said
Thornwood, Section 4 to the most southerly northwest corner of said
Thornwood, Section 4;

THENCE in a southerly direction with the west line of said
Thornwood, Section 4, and a southeast line of said Memorial Oaks
Cemetery to the south right-of-way line of La Costa Lane;

THENCE in a westerly direction with the south right-of-way
line of said La Costa Lane to the northeast right-of-way line of
Memorial Drive;

THENCE in a southeast direction with the northeast
right-of-way line of said Memorial Drive to the south right-of-way
line of Kimberly Lane;

THENCE in a westerly direction with the projected north line
of Woods on Memorial, Section 1, to the east right-of-way line of
Eldridge Road;

THENCE in a southerly direction with the east
right-of-way line of said Eldridge Road to the west line of Turkey
Creek Townhomes;

THENCE in a southerly direction with the west line of said
Turkey Creek Townhomes to the northeast line of Buffalo Bayou;

THENCE in a southeasterly direction with the northeast line
of said Buffalo Bayou to a point located approximately 224 feet
north of the northwest corner of Nottingham Forest, Section 8;

THENCE in a southwesterly direction with the east line of said
Buffalo Bayou to the east line of the J. Wheaton Survey, A-80;

THENCE in a southerly direction with the east line of said J.
Wheaton Survey, A-80 to the south right-of-way line of Briar Forest
Drive;

THENCE in a westerly direction with the south right-of-way
line of said Briar Forest Drive to the west line of Lakeside
Enclave subdivision;

THENCE in a southerly direction with the west line of said
Lakeside Enclave subdivision to the north line of Parkway Plaza,
Section 3;

THENCE in a westerly direction with the north line of said
Parkway Plaza, Section 3, to the east right-of-way line of Eldridge
Road;

THENCE in a southerly direction with the east right-of-way
line of said Eldridge Road to the north right-of-way line of Whittington Court;

THENCE in a westerly direction with the projected north
right-of-way line of said Whittington Court and the south line of
Eldridge Road Apartments to the west line of said Eldridge Road

Eldridge Road Apartments and the east line of Lakes of Parkway,
Section 1, to the north right-of-way line of Briar Forest Drive;
THENCE in a northerly direction approximately 276 feet to a
point in the east line of Parkway Villages, Section 6;
THENCE in a northerly direction with the east line of said
Parkway Villages, Section 6 to the south right-of-way line of
Westerloch Drive;
THENCE in a northerly direction with the projected west
right-of-way line of said Park Bayou Drive to the north
right-of-way line of Briarhurst Drive;
THENCE in an easterly direction with the north right-of-way
line of said Briarhurst Drive to the west right-of-way line of
Eldridge Road;
THENCE in a northerly direction with the west right-of-way
line of said Eldridge Road to the project east line of Park on
Enclave subdivision;
THENCE in a northerly direction with the east line of said
Park on Enclave subdivision crossing Enclave Parkway to the north
line of said Buffalo Bayou and the south line of Memorial Thicket,
Section 3;
THENCE in an easterly direction with the north line of said
Buffalo Bayou and the south line of said Memorial Thicket, Section
3 to the west right-of-way line of South Mayde Drive;
THENCE in a northerly direction with the west right-of-way
line of said South Mayde Drive to the northeast corner of said
Memorial Thicket, Section 3;
THENCE in a westerly direction with the north line of said
Memorial Thicket, Section 3 to the northwest corner of said
Memorial Thicket, Section 3 located in the east line of Memorial
Thicket, Section 1;
THENCE in a northerly direction with the east line of said
Memorial Thicket, Section 1 to the northeast corner of said
Memorial Thicket, Section 1;
THENCE in a northwesterly direction with the north line of
said Memorial Thicket, Section 1 to the north right-of-way line of
Memorial Drive at the west right-of-way of Westlake Park Boulevard;
THENCE in a southwesterly direction with the north
right-of-way line of said Memorial Drive to the northeast corner of
Barker Place Townhomes;
THENCE in a westerly direction with the north line of said
Barker Place Townhomes to the east line of Barker Court Townhomes;
THENCE in a northerly direction with the east line of said
Barker Court Townhomes and the east line of Barkers Landing
subdivision to the northeast corner of said Barkers Landing
subdivision located in the south right-of-way line of Grisby Road;
THENCE in a westerly direction with the south right-of-way
line of said Grisby Road to the northwest corner of said Barkers
Landing, Section 3;
THENCE in a westerly direction with the north line of Barkers
Landing, Section 4, to the west right-of-way line of Addicks Howell
Road;
THENCE in a northerly direction with the west right-of-way
line of said Addicks Howell Road to the south right-of-way line of
said Interstate Highway 10;
THENCE in a westerly direction with the south right-of-way
line of said Interstate Highway 10 to the projected east line of
Park Ten, Section 10;
THENCE in a northerly direction crossing said Interstate
Highway 10 with the projected east line of said Park Ten, Section
10, to the projected north line of Gateway at Park 10;
THENCE in an easterly direction with the projected north line
of said Gateway at Park 10 and the north line of Domicich at Park 10
to the west right-of-way line of State Highway 6;
THENCE continuing in an easterly direction with the projected
north line of Park Ten Ranch Apartments and Park Ten MUD Water
Supply passing the east line of said Park Ten MUD Water Supply and
continuing easterly an additional 360 feet to the east line of a
3.1200-acre tract;
THENCE in a southerly direction with the east line of said
3.1200-acre tract to the north right-of-way line of Park and Ride
Drive;
THENCE in an easterly direction with the north right-of-way
line of said Park and Ride Drive to the end of said Park and Ride
Drive;
THENCE in a southerly direction with the end of said Park and
Ride Drive to the north line of Addicks Park and Ride, Section 2;
THENCE in an easterly direction with the north line of said
Addicks Park and Ride, Section 2 to the east line of said Addicks
Park and Ride, Section 2;
THENCE in a southerly direction with the east line of said
Addicks Park and Ride, Section 2 to the north right-of-way line of
Old Katy Road;
THENCE in an easterly direction with the north right-of-way
line of said Old Katy Road to the west line of a flood control
ditch and the Houston City Limit Line;
THENCE in a northerly direction with the west line of said
flood control ditch and the Houston City Limit Line to the
projected north line of Addicks Dam Subdivision;
THENCE in an easterly direction with the projected north line
of said Addicks Dam Subdivision to the east line of said Woodcreek
Park, Section 1;
THENCE in a southerly direction with the east line of said
Woodcreek Park, Section 1 projected across Interstate Highway 10 to
the POINT OF BEGINNING save and except the entire limits of the
Addicks Dam Subdivision located north of Old Katy Road and West of
Eldridge Parkway.
Sec. 376.455. FINDINGS RELATING TO BOUNDARIES. The
boundaries and field notes of the district form a closure. If a
mistake is made in the field notes or in copying the field notes in
the legislative process, the mistake does not affect the
district's:
(1) organization, existence, or validity;
(2) right to issue any type of bond for the purposes
for which the district is created or to pay the principal of and
interest on a bond;
(3) right to impose or collect an assessment or tax;
(4) legality or operation.
Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.
(a) The district is created to serve a public use and benefit.
All the land and other property included in the district will be
benefited by the improvements and services to be provided by the
district under powers conferred by Sections 52 and 52-a, Article
III, and Section 59, Article XVI, Texas Constitution, and other
powers granted under this subchapter.
(b) The creation of the district is in the public interest
and is essential to:
(1) further the public purposes of the development and
diversification of the economy of the state; and
(2) eliminate unemployment and underemployment and
develop or expand transportation and commerce.
(c) The district will:
(1) promote the health, safety, and general welfare of
residents, employers, employees, visitors, consumers in the
district, and the general public;
(2) provide needed funding to preserve, maintain, and
enhance the economic health and vitality of the district as a
community and business center; and
(3) further promote the health, safety, welfare, and
enjoyment of the public by providing pedestrian ways and by
landscaping and developing certain areas in the district, which are
necessary for the restoration, preservation, and enhancement of
scenic beauty.
(d) Pedestrian ways along or across a street, whether at
grade or above or below the surface, and street lighting, street
landscaping, and street art objects are parts of and necessary
components of a street and are considered to be a street or road
improvement.

(e) The district will not act as the agent or
instrumentality of any private interest even though many private
interests will be benefited by the district, as will the general
public.

Sec. 376.457. APPLICATION OF OTHER LAW. Except as otherwise
provided by this subchapter, Chapter 375 applies to the district.

Sec. 376.458. CONSTRUCTION OF SUBCHAPTER. This subchapter
shall be liberally construed in conformity with the findings and
purposes stated in this subchapter.

Sec. 376.459. BOARD OF DIRECTORS IN GENERAL. (a) The
district is governed by a board of nine voting directors appointed
under Section 376.460 and nonvoting directors as provided by
Section 376.461.

(b) Voting directors serve staggered terms of four years,
with four directors' terms expiring June 1 of an odd-numbered year
and five directors' terms expiring June 1 of the following
odd-numbered year.

(c) A voting director may receive compensation as provided
by Section 49.060, Water Code.

Sec. 376.460. APPOINTMENT OF DIRECTORS. (a) The mayor and
members of the governing body of the municipality shall appoint
voting directors from persons recommended by the board. A person
is appointed if a majority of the directors and the mayor vote to
appoint that person.

(b) A person may not be appointed to the board if the
appointment of that person would result in less than two-thirds of
the directors residing in the municipality.

Sec. 376.461. NONVOTING DIRECTORS. (a) The following
persons shall serve as nonvoting directors:

(1) the director of the following departments of the
municipality:

(A) parks and recreation;
(B) planning and development;
(C) public works; and
(D) civic center;

(2) the municipality's chief of police;

(3) the director of the engineering division of the
county department of public infrastructure;

(4) the Houston district engineer for the Texas
Department of Transportation;

(5) the county's general manager of the Metropolitan
Transit Authority; and

(6) the presidents of any institutions of higher
learning located in the district.

(b) If an agency, department, or division described by
Subsection (a) is consolidated, renamed, or changed, the board may
appoint a director of the consolidated, renamed, or changed agency,
department, or division as a nonvoting director. If an agency,
department, or division described by Subsection (a) is abolished,
the board may appoint a representative of another agency,
department, or division that performs duties comparable to those
performed by the abolished entity.

Sec. 376.462. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT.
(a) Except as provided by this section:

(1) a director may participate in all board votes and
decisions; and

(2) Chapter 171 governs conflicts of interest for
board members.

(b) Section 171.004 does not apply to the district. A
director who has a substantial interest in a business or charitable
entity that will receive a pecuniary benefit from a board action
shall file a one-time affidavit declaring the interest. An
additional affidavit is not required if the director's interest
changes. After the affidavit is filed with the board secretary,
the director may participate in a discussion or vote on that action
if.
(1) a majority of the directors have a similar interest in the same entity; or
(2) all other similar business or charitable entities in the district will receive a similar pecuniary benefit.
(c) A director who is also an officer or employee of a public entity may not participate in the discussion of or vote on a matter regarding a contract with that same public entity.
(d) For purposes of this section, a director has a substantial interest in a charitable entity in the same manner that a person would have a substantial interest in a business entity under Section 171.002.
Sec. 376.463. ELECTRONIC TRANSMISSIONS. (a) The district may acquire, operate, or charge fees for the use of district conduits for:
(1) another person's;
   (A) telecommunications network;
   (B) fiber-optic cable; or
   (C) electronic transmission line; or
(2) any other type of transmission line or supporting facility.
(b) The district may not require a person to use a district conduit.
Sec. 376.464. ADDITIONAL POWERS OF DISTRICT. (a) The district may exercise the powers given to a corporation created under Section 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes).
(b) The district may exercise the powers given to a housing finance corporation created under Chapter 394 to provide housing or residential development projects in the district.
Sec. 376.465. AGREEMENTS; GENERAL; GIFTS, INTERLOCAL AGREEMENTS, AND LAW ENFORCEMENT SERVICES. (a) The district may make an agreement with or accept a gift, grant, or loan from any person.
(b) The implementation of a project is a governmental function or service for the purposes of Chapter 791, Government Code.
(c) To protect the public interest, the district may contract with the municipality or the county to provide law enforcement services in the district for a fee.
Sec. 376.466. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act on behalf of the district in implementing a project or providing a service authorized by this subchapter.
(b) The board shall appoint the board of directors of a nonprofit corporation created under this section. The board of directors of the nonprofit corporation shall serve in the same manner as a board of directors of a local government corporation created under Chapter 431, Transportation Code.
(c) A nonprofit corporation created under this section has the powers of and is considered for purposes of this subchapter to be a local government corporation created under Chapter 431, Transportation Code.
(d) A nonprofit corporation created under this section may implement any project and provide any service authorized by this subchapter.
Sec. 376.467. REQUIREMENTS FOR FINANCING SERVICES AND IMPROVEMENTS. The board may not finance a service or improvement project under this subchapter unless a written petition requesting the improvement or service has been filed with the board. The petition must be signed by:
(1) the owners of a majority of the assessed value of real property in the district as determined by the most recent certified county property tax rolls; or
(2) at least 25 persons who own land in the district, if there are more than 25 persons who own property in the district as determined by the most recent certified county property tax rolls.
Sec. 376.468. ELECTIONS. (a) In addition to the elections the district must hold under Subchapter L, Chapter 375, the
district shall hold an election in the manner provided by that
subchapter to obtain voter approval before the district imposes a
maintenance tax or issues bonds payable from ad valorem taxes or
assessments.
(b) The board may include more than one purpose in a single
proposition at an election.
Sec. 376.469. MAINTENANCE TAX. (a) If authorized at an
election held in accordance with Section 376.468, the district may
impose and collect an annual ad valorem tax on taxable property in
the district for the maintenance and operation of the district and
the improvements constructed or acquired by the district or for the
provision of services.
(b) The board shall determine the tax rate.
Sec. 376.470. ASSESSMENTS. (a) The board may impose and
collect an assessment for any purpose authorized by this
subchapter.
(b) Assessments, including assessments resulting from an
addition to or correction of the assessment roll by the district,
reassessments, penalties and interest on an assessment or
reassessment, expenses of collection, and reasonable attorney's
fees incurred by the district:
(1) are a first and prior lien against the property
assessed;
(2) are superior to any other lien or claim other than
a lien or claim for county, school district, or municipal ad
valorem taxes; and
(3) are the personal liability of and charge against
the owners of the property even if the owners are not named in the
assessment proceedings.
(c) The lien is effective from the date of the resolution of
the board imposing the assessment until the assessment is paid.
The board may enforce the lien in the same manner that the board
may enforce an ad valorem tax lien against real property.
Sec. 376.471. UTILITIES. The district may not impose an
impact fee or assessment on the property, equipment, rights-of-way,
facilities, or improvements of an electric utility or a power
generation company as defined by Section 31.002, Utilities Code, of
a gas utility as defined by Section 101.003 or 121.001, Utilities
Code, or of a person that provides to the public cable television
or advanced services.
Sec. 376.472. BONDS. (a) The district may issue bonds or
other obligations payable in whole or in part from ad valorem
taxes, assessments, impact fees, revenues, grants, or other money
of the district, or any combination of those sources of money, to
pay for any authorized purpose of the district.
(b) Bonds or other obligations of the district may be issued
in the form of bonds, notes, certificates of participation,
including other instruments evidencing a proportionate interest in
payments to be made by the district, or other obligations that are
issued in the exercise of the district's borrowing power and may be
issued in bearer or registered form or not represented by an
instrument but the transfer of which is registered on books
maintained by or on behalf of the district.
Sec. 376.473. MUNICIPAL APPROVAL. (a) Except as provided
by Subsection (b), the district must obtain approval from the
municipality's governing body of:
(1) the issuance of bonds for an improvement project;
(2) the plans and specifications of an improvement
project financed by the bonds; and
(3) the plans and specifications of a district
improvement project related to:
(A) the use of land owned by the municipality;
(B) an easement granted by the municipality; or
(C) a right-of-way of a street, road, or
highway.
(b) If the district obtains approval from the municipality's
governing body of a capital improvements budget for a period not to
exceed five years, the district may finance the capital
improvements and issue bonds specified in the budget without
further approval from the municipality.

[c] Except as provided by Section 375.263, a municipality is not obligated to pay any bonds, notes, or other obligations of the

district by transfer of the district's money.

Sec. 376.474. DISBURSEMENTS OR TRANSFERS OF FUNDS. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or

transfer of the district's money.

Sec. 376.475. COMPETITIVE BIDDING LIMIT. Section 375.221 applies to the district only for a contract with a value greater than $25,000.

Sec. 376.476. EXCEPTION FOR DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBTS. (a) The board may vote to dissolve a district that has debt. If the vote is in favor of dissolution, the district shall remain in existence solely for the limited purpose of discharging its debts. The dissolution is effective when all debts have been discharged.

(b) Section 375.264 does not apply to the district.

Sec. 376.477. INITIAL DIRECTORS. (a) The initial board consists of the following persons:

<table>
<thead>
<tr>
<th>Pos. No.</th>
<th>Name of Director</th>
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<tbody>
<tr>
<td>1</td>
<td>Robert Becker</td>
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<tr>
<td>2</td>
<td>Tom Blackwell</td>
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<td>3</td>
<td>Lynn Grafing</td>
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<td>4</td>
<td>Rick Rice</td>
</tr>
<tr>
<td>5</td>
<td>David W. Hightower</td>
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<tr>
<td>6</td>
<td>Mike Turner</td>
</tr>
<tr>
<td>7</td>
<td>Ned Holmes</td>
</tr>
<tr>
<td>8</td>
<td>Roger H. Hord</td>
</tr>
<tr>
<td>9</td>
<td>Cathy Wininger</td>
</tr>
</tbody>
</table>

(b) Of the initial directors, the terms of directors appointed for positions 1 through 5 expire on June 1, 2005, and the terms of directors appointed for positions 6 through 9 expire on June 1, 2003.

(c) Section 376.460 does not apply to this section.

(d) This section expires September 1, 2006.

SECTION 2. The legislature finds that:

(1) proper and legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished by the constitution and laws of this state, including the governor, who has submitted the notice and Act to the Texas Natural Resource Conservation Commission;

(2) the Texas Natural Resource Conservation Commission has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time;

(3) the general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with; and

(4) all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2001.

* * * * *
FAVORABLY AS SUBSTITUTED
SENATE COMMITTEE REPORT ON

SB SCR SJR SR HB HCR HJR 1226
By Lindsay

(date)

Sir:

We, your Committee on INTERGOVERNMENTAL RELATIONS, to which was referred the attached measure, have on 4-24-01, had the same under consideration and I am instructed to report it back with the recommendation (o) that it:

☑ do pass as substituted, and be printed
☑ the caption remained the same as original measure
☐ the caption changed with adoption of the substitute

☑ do pass as substituted, and be ordered not printed
☐ and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. ☑ yes ( ) no
A revised fiscal note was requested. ☑ yes ( ) no
An actuarial analysis was requested. ( ) yes ☑ no
Considered by subcommittee. ( ) yes ☑ no

The measure was reported from Committee by the following vote:

<table>
<thead>
<tr>
<th>YEAs</th>
<th>NAYs</th>
<th>ABSENT</th>
<th>PNV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senator Frank Madla, Chairman</td>
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<tr>
<td>Senator Jon Lindsay, Vice-Chairman</td>
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<td>Senator David Cain</td>
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<td>Senator Florence Shapiro</td>
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<td>Senator Todd Staples</td>
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<tr>
<td>Senator Royce West</td>
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<td>Senator John Whitmire</td>
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<tr>
<td>TOTAL VOTES</td>
<td>4</td>
<td>0</td>
<td>2</td>
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</table>

COMMITTEE ACTION

S269: Considered in public hearing
S270: Testimony taken

COMMITTEE CLERK  CHAIRMAN

Paper clip the original and one copy of this signed form to the original bill along with TWO copies of the Committee Substitute. Retain one copy of this form for Committee files.
BILL ANALYSIS

Senate Research Center
77R9163 T

S.B. 1226
By: Lindsay
Intergovernmental Relations
4/6/2001
As Filed

DIGEST AND PURPOSE

Currently, Chapter 375 of the Local Government Code allows for the creation of municipal management districts in order to promote and benefit commercial development and commercial areas throughout the state. As proposed, S.B. 1226 creates the Energy Corridor Management District encompassing a commercial area in Houston. Many energy sector businesses and corporations have offices in the area, giving the area its nickname “the Energy Corridor.” Representatives of businesses in the area, together with the West Houston Association, have joined with their elected representatives to create this special financing district, which will assess property owners to finance improvements and services to the area, such as the provision of additional security services, landscaping and tree planting, street cleaning, and a coordinated marketing effort for the area.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 376, Local Government Code, is amended by adding Subchapter ____ as follows:

SUBCHAPTER____. ENERGY CORRIDOR MANAGEMENT DISTRICT

Sec. 376. CREATION OF DISTRICT. Creates the Energy Corridor Management District (district). Authorizes the board of directors of the district (board) by resolution to change the district’s name. Provides that the creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this subchapter.

Sec. 376. DECLARATION OF INTENT. Provides that the creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, arts, entertainment, economic development, safety, and the public welfare in the area of the district. Provides that the creation of the district and this legislation are not to be interpreted to relieve the Harris County (county) or Houston (municipality) from providing the level of services, as of the effective date of this subchapter, to the area in the district or to release the county or the municipality from the obligations each entity has to provide services to that area. Provides that the district is created to supplement and not supplant the municipal or county services provided in the area in the district. Provides that, by creating the district and in authorizing the municipality, county, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

Sec. 376.303. DEFINITIONS. Defines “board,” “county,” “district,” “municipality,” and “utility.”
Sec. 376.  BOUNDARIES. Sets forth the boundaries of the district.

Sec. 376.  FINDINGS RELATING TO BOUNDARIES. Provides findings relating to the boundaries of the district.

Sec. 376.  FINDINGS OF BENEFIT AND PUBLIC PURPOSE. Provides findings of benefit and purpose.

Sec. 376.  APPLICATION OF OTHER LAW. Provides that, except as otherwise provided by this subchapter, Chapter 375 applies to the district, its governing body, and its employees, and the district has rights and powers of a district created under Chapter 375.

Sec. 376.  LIBERAL CONSTRUCTION OF SUBCHAPTER. Requires this subchapter to be liberally construed in conformity with the findings and purposes stated in this subchapter.

Sec. 376.  BOARD OF DIRECTORS IN GENERAL. Sets forth guidelines regarding the district's board of directors.

Sec. 376.  APPOINTMENT OF DIRECTORS. Sets forth guidelines regarding the appointment of directors.

Sec. 376.  EX OFFICIO BOARD MEMBERS. Requires certain persons to serve as nonvoting ex officio directors. Authorizes the board, if a department described by this section is consolidated, renamed, or changed, to appoint a director of the consolidated, renamed, or changed department as a nonvoting ex officio board member. Authorizes the board, if a department described by this section is abolished, to appoint a representative of another department of the municipality that performs duties comparable to those performed by the abolished department.

Sec. 376.  CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT. (a) Authorizes a director, except as provided in this section, to participate in all board votes and decisions and provides that, except as provided in this section, Chapter 171 governs conflict of interests for board members.

(b) Provides that Section 171.004 does not apply to the district. Requires certain directors with certain substantial interests to file a one-time affidavit declaring the interest. Provides that an additional affidavit is not required if the director's interest changes. Authorizes the director, after the affidavit is filed with the board secretary, to participate in a discussion or vote on that action if certain requirements are met.

(c) Prohibits a director who is also an officer or employee of a public entity from participating in the discussion of or vote on a matter regarding a contract with that same public entity.

(d) Provides that, for purposes of this section, a director has a substantial interest in a charitable entity in the same manner that a person would have a substantial interest in a business entity under Section 171.002.

Sec. 376.  ADDITIONAL POWERS OF DISTRICT. (a) Authorizes the district to exercise the powers given to a corporation created under Section 4B, Development Corporation Act of 1979 (Article 5190.6, V.T.C.S.).

(b) Authorizes the district to exercise the powers given to a housing finance corporation created under Chapter 394 to provide housing or residential development
projects in the district.

(c) Authorizes the district to finance, acquire, construct, improve, operate, maintain, or charge fees for certain purposes.

Sec. 376. . AGREEMENTS: GENERAL; DONATIONS, INTERLOCAL AGREEMENTS, AND LAW ENFORCEMENT SERVICES. Authorizes the district to make an agreement with or accept a donation, grant, or loan from any person. Provides that the implementation of a project is a governmental function or service for the purposes of Chapter 791 (Interlocal Cooperation Contracts), Government Code. Authorizes the district, to protect the public interest, to contract with the municipality or the county for the municipality or county to provide law enforcement services in the district for a fee.

Sec. 376. . NONPROFIT CORPORATION. Sets forth guidelines regarding the creation of a non-profit corporation to assist and act on behalf of the district in implementing a project or providing a service authorized by this subchapter.

Sec. 376. . PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS. Prohibits the board from financing a service or improvement project under this subchapter unless a written petition requesting the improvement or service has been filed with the board. Requires the petition to be signed by certain persons.

Sec. 376. . ELECTIONS. Requires the district, in addition to the elections the district as required to hold under Chapter 375L, to hold an election in the manner provided by that subchapter to obtain voter approval before the district imposes a maintenance tax or issues bonds payable from ad valorem taxes or assessments. Authorizes the board to include more than one purpose in a single proposition at an election.

Sec. 376. . MAINTENANCE TAX. Authorizes the district, if authorized at an election held in accordance with Section 376 . . , to impose and collect an annual ad valorem tax on taxable property in the district for the maintenance and operation of the district and the improvements constructed or acquired by the district or for the provision of services. Requires the board to determine the tax rate.

Sec. 376. . ASSESSMENTS. Authorizes the board to impose and collect an assessment for any purpose authorized by this subchapter. Sets forth guidelines regarding assessments, reassessments, penalties and interest on an assessment or reassessment, expenses of collection, and reasonable attorney's fees incurred by the district. Provides that the lien is effective from the date of the resolution of the board imposing the assessment until the assessment is paid. Authorizes the board to enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

Sec. 376. . UTILITIES. Prohibits the district from imposing an assessment or impact fee on a utility's property.

Sec. 376. . BONDS. Sets forth guidelines regarding the issuance of certain bonds or other obligations by the district.

Sec. 376. . MUNICIPAL APPROVAL. (a) Requires the district, except as provided by Subsection (b), to obtain approval from the municipality's governing body of certain items.

(b) Authorizes the district, if the district obtains approval from the municipality's governing body of a capital improvements budget for a period not to exceed five years, to finance the capital improvements and issue bonds specified in the budget without further approval from the municipality.
(c) Requires the district to obtain approval from the municipality's governing body of the plans and specifications of any district improvement project related to the use of land owned by the municipality, an easement granted by the municipality, or a right-of-way of a street, road, or highway.

(d) Provides that, except as provided by Section 375.263, a municipality is not obligated to pay any bonds, notes, or other obligations of the district.

Sec. 376. DISBURSEMENTS OR TRANSFERS OF FUNDS. Requires the board by resolution to establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money.

Sec. 376. COMPETITIVE BIDDING LIMIT. Provides that Section 375.221 does not apply to the district unless the contract is for more than $25,000.

Sec. 376. EXCEPTION FOR DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBTS. Authorizes the board to vote to dissolve a district that has debt. Requires the district, if the vote is in favor of dissolution, to remain in existence solely for the limited purpose of discharging its debts. Provides that the dissolution is effective when all debts have been discharged. Provides that Section 375.264 does not apply to the district.

SECTION 2. Presents legislative findings relating to procedural requirements.

SECTION 3. Provides that the initial board of directors of the Energy Corridor Management District consists of certain stated persons, notwithstanding Section 376. , Local Government Code, as added by this Act. Provides that, of the initial board members, the members appointed for positions 1 through 5 serve until June 1, 2005, and the members appointed for positions 6 through 9 serve until June 1, 2003.

SECTION 4. EFFECTIVE DATE. Effective date: upon passage or September 1, 2001.
BILL ANALYSIS

Senate Research Center
77R13237 MXM-F

C.S.S.B. 1226
By: Lindsay
Intergovernmental Relations
4/25/2001
Committee Report (Substituted)

DIGEST AND PURPOSE

Currently, Chapter 375 of the Local Government Code allows for the creation of municipal management districts in order to promote and benefit commercial development and commercial areas throughout the state. C.S.S.B. 1226 creates the Energy Corridor Management District encompassing a commercial area in Houston. Many energy sector businesses and corporations have offices in the area, giving the area its nickname “the Energy Corridor.” Representatives of businesses in the area, together with the West Houston Association, have joined with their elected representatives to create this special financing district, which will assess property owners to finance improvements and services to the area, such as the provision of additional security services, landscaping and tree planting, street cleaning, and a coordinated marketing effort for the area.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 376, Local Government Code, by adding Subchapter K, as follows:

SUBCHAPTER K. ENERGY CORRIDOR MANAGEMENT DISTRICT

Sec. 376.451. CREATION OF DISTRICT. Creates the Energy Corridor Management District (district). Authorizes the board of directors of the district (board) by resolution to change the district's name.

Sec. 376.452. DECLARATION OF INTENT. Provides that the creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, arts, entertainment, economic development, safety, and the public welfare in the area of the district. Provides that the creation of the district and this legislation are not to be interpreted to relieve Harris County (county) or the City of Houston (municipality) from providing the level of services, as of the effective date of this subchapter, each entity has to provide to the area in the district. Provides that the district is created to supplement and not supplant the municipal or county services provided in the area in the district. Provides that the creation of the district is essential to accomplish the purposes of Sections 52 (Counties, Cities, or other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds) and 52-a (Loan or Grant of Public Money for Economic Development), Article III, and Section 59 (Conservation and Development of Natural Resources: Conservation and Reclamation Districts), Article XVI, Texas Constitution, and other public purposes stated in this subchapter.

Sec. 376.453. DEFINITIONS. Defines “board,” “county,” “district,” “municipality,” and “utility.”
Sec. 376.454. BOUNDARIES. Sets forth the boundaries of the district.

Sec. 376.455. FINDINGS RELATING TO BOUNDARIES. Provides findings relating to the boundaries of the district.

Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. Provides findings of benefit and purpose.

Sec. 376.457. APPLICATION OF OTHER LAW. Provides that, except as otherwise provided by this subchapter, Chapter 375 applies to the district.

Sec. 376.458. CONSTRUCTION OF SUBCHAPTER. Requires this subchapter to be liberally construed in conformity with the findings and purposes stated in this subchapter.

Sec. 376.459. BOARD OF DIRECTORS IN GENERAL. Sets forth guidelines regarding the district’s board of directors.

Sec. 376.460. APPOINTMENT OF DIRECTORS. Sets forth guidelines regarding the appointment of directors.

Sec. 376.461. NONVOTING DIRECTORS. Requires certain persons to serve as nonvoting directors. Authorizes the board, if an agency, department, or division described by this section is consolidated, renamed, or changed, to appoint a director of the consolidated, renamed, or changed agency, department, or division, as a nonvoting board member. Authorizes the board, if an agency, department, or division described by this section is abolished, to appoint a representative of another agency, department, or division of the municipality that performs duties comparable to those performed by the abolished entity.

Sec. 376.462. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT. (a) Authorizes a director, except as provided in this section, to participate in all board votes and decisions and provides that, except as provided in this section, Chapter 171 governs conflict of interests for board members.

(b) Provides that Section 171.004 does not apply to the district. Requires certain directors with certain substantial interests to file a one-time affidavit declaring the interest. Provides that an additional affidavit is not required if the director’s interest changes. Authorizes the director, after the affidavit is filed with the board secretary, to participate in a discussion or vote on that action if certain requirements are met.

(c) Prohibits a director who is also an officer or employee of a public entity from participating in the discussion of or vote on a matter regarding a contract with that same public entity.

(d) Provides that, for purposes of this section, a director has a substantial interest in a charitable entity in the same manner that a person would have a substantial interest in a business entity under Section 171.002.

Sec. 376.463. ELECTRONIC TRANSMISSIONS. Authorizes the district to acquire, operate, or charge fees for the use of district conduits for certain purposes. Prohibits the district from requiring a person to use a district conduit.

Sec. 376.464. ADDITIONAL POWERS OF DISTRICT. (a) Authorizes the district to exercise the powers given to a corporation created under Section 4B, Development Corporation Act of 1979 (Article 5190.6, V.T.C.S.).
(b) Authorizes the district to exercise the powers given to a housing finance corporation created under Chapter 394 to provide housing or residential development projects in the district.

Sec. 376.465. AGREEMENTS: GENERAL; DONATIONS, INTERLOCAL AGREEMENTS, AND LAW ENFORCEMENT SERVICES. Authorizes the district to make an agreement with or accept a gift, grant, or loan from any person. Provides that the implementation of a project is a governmental function or service for the purposes of Chapter 791 (Interlocal Cooperation Contracts), Government Code. Authorizes the district, to protect the public interest, to contract with the municipality or the county to provide law enforcement services in the district for a fee.

Sec. 376.466. NONPROFIT CORPORATION. Sets forth guidelines regarding the creation of a nonprofit corporation to assist and act on behalf of the district in implementing a project or providing a service authorized by this subchapter.

Sec. 376.467. REQUIREMENTS FOR FINANCING SERVICES AND IMPROVEMENTS. Prohibits the board from financing a service or improvement project under this subchapter unless a written petition requesting the improvement or service has been filed with the board. Requires the petition to be signed by certain persons.

Sec. 376.468. ELECTIONS. Requires the district, in addition to the elections the district as required to hold under Chapter 375L., to hold an election in the manner provided by that subchapter to obtain voter approval before the district imposes a maintenance tax or issues bonds payable from ad valorem taxes or assessments. Authorizes the board to include more than one purpose in a single proposition at an election.

Sec. 376.469. MAINTENANCE TAX. Authorizes the district, if authorized at an election held in accordance with Section 376.468., to impose and collect an annual ad valorem tax on taxable property in the district for the maintenance and operation of the district and the improvements constructed or acquired by the district or for the provision of services. Requires the board to determine the tax rate.

Sec. 376.470. ASSESSMENTS. Authorizes the board to impose and collect an assessment for any purpose authorized by this subchapter. Sets forth guidelines regarding assessments, reassessments, penalties and interest on an assessment or reassessment, expenses of collection, and reasonable attorney's fees incurred by the district. Provides that the lien is effective from the date of the resolution of the board imposing the assessment until the assessment is paid. Authorizes the board to enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

Sec. 376.471. UTILITIES. Prohibits the district from imposing an assessment or impact fee in certain cases.

Sec. 376.472. BONDS. Sets forth guidelines regarding the issuance of certain bonds or other obligations by the district.

Sec. 376.473. MUNICIPAL APPROVAL. (a) Requires the district, except as provided by Subsection (b), to obtain approval from the municipality's governing body of certain items.

(b) Authorizes the district, if the district obtains approval from the municipality's governing body of a capital improvements budget for a period not to exceed five years, to finance the capital improvements and issue bonds specified in the budget without further approval from the municipality.
(c) Provides that, except as provided by Section 375.263, a municipality is not obligated to pay any bonds, notes, or other obligations of the district.

Sec. 376.474. DISBURSEMENTS OR TRANSFERS OF FUNDS. Requires the board by resolution to establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money.

Sec. 376.475. COMPETITIVE BIDDING LIMIT. Provides that Section 375.221 applies to the district only for a contract with a value greater than $25,000.

Sec. 376.476. EXCEPTION FOR DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBTS. Authorizes the board to vote to dissolve a district that has debt. Requires the district, if the vote is in favor of dissolution, to remain in existence solely for the limited purpose of discharging its debts. Provides that the dissolution is effective when all debts have been discharged. Provides that Section 375.264 does not apply to the district.

Section 376.477. INITIAL DIRECTORS. Provides that the initial board consists of certain persons and sets forth guidelines regarding directors' terms. Provides that Section 376.460 does not apply to this section. Provides that this section expires September 1, 2006.

SECTION 2. Presents legislative findings relating to procedural requirements.

SECTION 3. Effective date: upon passage or September 1, 2001.

SUMMARY OF COMMITTEE CHANGES

Amends As Filed S.B. 1226 as follows:

SECTION 1. Amends text to fill in blanks in the original As Filed version. New Subchapter __ is now new Subchapter K, Chapter 376, Local Government Code. Fills in the blank Section numbers and amends text as follows:

[NOTE: The titles have been added to the section numbers for clarification purposes, but for most of the sections the title has not changed from the original]:

Sec. 376.451. CREATION OF DISTRICT. Omits original Subsection (c).

Sec. 376.452. DECLARATION OF INTENT. Replaces the text "to the area in the district or to release the county or the municipality from the obligations each entity has to provide services to that area" with "each entity has to provide to the area in the district." Omits original Subsection (c) and adds a new Subsection (c).

Sec. 376.453. DEFINITIONS. (rather than Sec. 276.303) Makes nonsubstantive changes.

Sec. 376.454. BOUNDARIES. Redefines the boundaries of the district.

Sec. 376.455. FINDINGS RELATING TO BOUNDARIES. Replaces "does not affect" with "the mistake does not affect." Provides that a mistake does not affect the district's right to impose or collect a tax.

Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. Makes a nonsubstantive change. Omits the text "for the area in the district." Replaces the text "of the area" with "of the district." Omits the text "aesthetic."

Sec. 376.457. APPLICATION OF OTHER LAWS. Omits the text "its governing body, and its employees." Omits text providing that the district has rights and powers of a district created
under Chapter 375.

Sec. 376.458. Amends the heading to read as follows: CONSTRUCTION OF SUBCHAPTER.

Sec. 376.459. BOARD OF DIRECTORS IN GENERAL. Provides that the district is governing by a board of nine voting directors appointed under Section 376.460 and nonvoting directors as provided by Section 376.461. Provides that voting directors serve certain terms.

Sec. 376.460. APPOINTMENT OF DIRECTORS. Limits this section to the appointment of voting directors. Replaces "members" with "directors." Deletes original Subsection (c).

376.461. Amends the heading to read as follows: NONVOTING DIRECTORS. Omits the text "ex officio." Adds "agency" and "division" to the list of entities included in this section.

376.462. CONFLICTS OF INTEREST. No changes in text.

Adds a new Section 376.463. ELECTRONIC TRANSMISSION.

Sec. 376.464. ADDITIONAL POWERS OF DISTRICT. No changes in text.

Sec. 376.465. AGREEMENTS: GENERAL; DONATIONS, INTERLOCAL AGREEMENTS, AND LAW ENFORCEMENT SERVICES. Replaces the text "donation" with "gift." Omits the text "for the municipality or county."

Sec. 376.466. NONPROFIT CORPORATION. Omits the text "term, and conditions."

Sec. 376.467. Amends the heading to read as follows: REQUIREMENTS FOR FINANCING SERVICES AND IMPROVEMENTS.

Sec. 376.468. ELECTIONS. No changes in text.

Sec. 376.469. MAINTENANCE TAX. Clarifies reference to 376.468.

Sec. 376.470. ASSESSMENTS. No changes in text.

Sec. 376.471. UTILITIES. Prohibits the district from imposing an impact fee or assessment on certain property, equipment, rights of way, facilities, or improvements.

Sec. 376.472. BONDS. No changes in text.

Sec. 376.473. MUNICIPAL APPROVAL. Adds to the items for which the district must obtain approval from the municipality's governing body. Omits original Subsection (c) and redesignates original Subsection (d) as Subsection (c).

Sec. 376.474. DISBURSEMENTS OR TRANSFERS OF FUNDS. No changes in text.

Sec. 376.475. COMPETITIVE BIDDING LIMIT. Provides that Section 375.221 applies to the district only for a contract with a value greater than $25,000, rather than providing that Section 375.221 does not apply to the district unless the contract is for more than $25,000.

Sec. 376.476. EXCEPTION FOR DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBTS. No changes in text.

Adds new Section 376.477 (INITIAL DIRECTORS), containing some redesignated text from
original SECTION 3.

SECTION 2. No change.

SECTION 3. Omits original SECTION 3. Redesignates original SECTION 4 as SECTION 3. Omits the title of the SECTION.
TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1226 by Lindsay (Relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.), Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the Senate as to its probable fiscal implication on units of local government.

Source Agencies:
LBB Staff: JK, DB
TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1226 by Lindsay (Relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.), As Introduced

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the Senate as to its probable fiscal implication on units of local government.

Source Agencies:
LBB Staff: JK, DB
WITNESS LIST

SB 1226
SENATE COMMITTEE REPORT
Intergovernmental Relations

April 24, 2001 - 8:30AM

FOR: Hord, Roger West Houston Association (West Houston Association), Houston, TX

Registering, but not testifying:
FOR: Fish, Paige Conoco, Inc. (Conoco, Inc.), Austin, TX
     Hinkle, Dan BP (BP), Sugar Land, TX
     Randolph, Robert Attorney (West Houston Association), Houston, TX
REQUEST FOR LOCAL & UNCONTESTED CALENDAR PLACEMENT

SENATOR DAVID CAIN, CHAIRMAN
SENATE COMMITTEE ON ADMINISTRATION

Notice is hereby given that SB 1220, by Lindsay,
(Bill No.) (Author/Sponsor)
was heard by the Committee on 16R on 4-24, 2001,
and reported out with the recommendation that it be placed on the Local and Uncontested Calendar.

(Clerk of the reporting committee)

IMPORTANT: A COPY OF THIS FORM MUST BE ATTACHED TO A COMMITTEE PRINTED VERSION OF THE BILL OR RESOLUTION AND SHOULD BE DELIVERED TO THE ADMINISTRATION COMMITTEE OFFICE, E1.714. DEADLINES FOR SUBMITTING BILLS AND RESOLUTIONS WILL BE ANNOUNCED ON A REGULAR BASIS.

Paper clip the original to the bill; retain pink copy for committee files; deliver yellow copy to bill author/sponsor.
A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 376, Local Government Code, is amended by adding Subchapter K to read as follows:

SUBCHAPTER K. ENERGY CORRIDOR MANAGEMENT DISTRICT

Sec. 376.451. CREATION OF DISTRICT. (a) The Energy Corridor Management District is created as a special district under Section 59, Article XVI, Texas Constitution.

(b) The board by resolution may change the district's name.

Sec. 376.452. DECLARATION OF INTENT. (a) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, arts, entertainment, economic development, safety, and the public welfare in the area of the district.

(b) The creation of the district and this legislation are not to be interpreted to relieve the county or the municipality from providing the level of services, as of the effective date of this subchapter, each entity has to provide to the area in the district. The district is created to supplement and not supplant the county or municipal services provided in the area in the district.
(c) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this subchapter.

Sec. 376.453. DEFINITIONS. In this subchapter:

(1) "Board" means the board of directors of the district.

(2) "County" means Harris County, Texas.

(3) "District" means the Energy Corridor Management District.

(4) "Municipality" means the City of Houston, Texas.

Sec. 376.454. BOUNDARIES. The district includes all the territory contained in the following described area:

BEGINNING at a point at the intersection of the south right-of-way line of Interstate Highway 10 and the east right-of-way line of Tully Road;

THENCE in a southerly direction with the east right-of-way line of said Tully Road to a line approximately 267 feet south of the south right-of-way line of St. Mary's Street;

THENCE in a westerly direction with said line to the east right-of-way line of Dairy Ashford Road;

THENCE in a southerly direction with the east right-of-way line of said Dairy Ashford Road to the projected south right-of-way line of Barryknoll Lane;

THENCE in a northwesterly direction with the south right-of-way line of said Barryknoll Lane to the southeast right-of-way line of Threadneedle Street;
THENCE in a northerly direction with the southeast right-of-way line of Threadneedle Street to the south right-of-way line of said Interstate Highway 10;

THENCE in a westerly direction with the south right-of-way line of said Interstate Highway 10 to the west line of a Harris County Flood Control Ditch and the west line of London Townhomes;

THENCE in a southerly direction with the west line of said London Townhomes and the east line of Memorial Oaks Cemetery to the southwest corner of West Bayou Oaks Townhomes;

THENCE in an easterly direction with the south line of said West Bayou Oaks Townhomes and a north line of said Memorial Oaks Cemetery to the northeast corner of Memorial Oaks Cemetery located in the south right-of-way line of Barryknoll Lane;

THENCE in a southerly direction with the east line of said Memorial Oaks Cemetery approximately 262 feet to a point;

THENCE in an easterly direction continuing with the east line of said Memorial Oaks Cemetery approximately 153 feet to a point;

THENCE in a southerly direction continuing with the east line of said Memorial Oaks Cemetery to the southeast corner of said Memorial Oaks Cemetery;

THENCE in a southwesterly direction with the south line of said Memorial Oaks Cemetery and the north line of said Thornwood, Section 1, to an angle point in the east line of Thornwood, Section 4 and the north line of Thornwood, Section 1;

THENCE in a northerly direction with the east line of said Thornwood, Section 4 to the northeast corner of said Thornwood, Section 4;
C.S.S.B. No. 1226

THENCE west with the north line of said Thornwood, Section 4 to the most northerly northwest corner of said Thornwood, Section 4;

THENCE in a southerly direction with the west line of said Thornwood, Section 4 to a point on the west line of said Thornwood, Section 4;

THENCE in a westerly direction with the west line of said Thornwood, Section 4 to the most southerly northwest corner of said Thornwood, Section 4;

THENCE in a southerly direction with the west line of said Thornwood, Section 4, and a southeast line of said Memorial Oaks Cemetery to the south right-of-way line of La Costa Lane;

THENCE in a westerly direction with the south right-of-way line of said La Costa Lane to the northeast right-of-way line of Memorial Drive;

THENCE in a southeast direction with the northeast right-of-way line of said Memorial Drive to the south right-of-way line of Kimberly Lane;

THENCE in a westerly direction with the projected north line of Woods on Memorial, Section 1, to the east right-of-way line of Eldridge Road;

THENCE in a southwesterly direction with the east right-of-way line of said Eldridge Road to the west line of Turkey Creek Townhomes;

THENCE in a southerly direction with the west line of said Turkey Creek Townhomes to the northeast line of Buffalo Bayou;

THENCE in a southeasterly direction with the northeast line
of said Buffalo Bayou to a point located approximately 224 feet north of the northwest corner of Nottingham Forest, Section 8;

THENCE in a southwesterly direction with the east line of said Buffalo Bayou to the east line of the J. Wheaton Survey, A-80;

THENCE in a southerly direction with the east line of said J. Wheaton Survey, A-80 to the south right-of-way line of Briar Forest Drive;

THENCE in a westerly direction with the south right-of-way line of said Briar Forest Drive to the west line of Lakeside Enclave subdivision;

THENCE in a southerly direction with the west line of said Lakeside Enclave subdivision to the north line of Parkway Plaza, Section 3;

THENCE in a westerly direction with the north line of said Parkway Plaza, Section 3, to the east right-of-way line of Eldridge Road;

THENCE in a southerly direction with the east right-of-way line of said Eldridge Road to the north right-of-way line of Whittington Court;

THENCE in a westerly direction with the projected north right-of-way line of said Whittington Court and the south line of Eldridge Road Apartments to the west line of said Eldridge Road Apartments;

THENCE in a northerly direction with the west line of said Eldridge Road Apartments and the east line of Lakes of Parkway, Section 1, to the north right-of-way line of Briar Forest Drive;

THENCE in a northerly direction approximately 276 feet to a
point in the east line of Parkway Villages, Section 6;

THENCE in a northerly direction with the east line of said Parkway Villages, Section 6 to the south right-of-way line of Westerloch Drive;

THENCE in a northerly direction with the projected west right-of-way line of said Park Bayou Drive to the north right-of-way line of Briarhurst Drive;

THENCE in an easterly direction with the north right-of-way line of said Briarhurst Drive to the west right-of-way line of Eldridge Road;

THENCE in a northerly direction with the west right-of-way line of said Eldridge Road to the project east line of Park on Enclave subdivision;

THENCE in a northerly direction with the east line of said Park on Enclave subdivision crossing Enclave Parkway to the north line of said Buffalo Bayou and the south line of Memorial Thicket, Section 3;

THENCE in an easterly direction with the north line of said Buffalo Bayou and the south line of said Memorial Thicket, Section 3 to the west right-of-way line of South Mayde Drive;

THENCE in a northerly direction with the west right-of-way line of said South Mayde Drive to the northeast corner of said Memorial Thicket, Section 3;

THENCE in a westerly direction with the north line of said Memorial Thicket, Section 3 to the northwest corner of said Memorial Thicket, Section 3 located in the east line of Memorial Thicket, Section 1;
THENCE in a northerly direction with the east line of said Memorial Thicket, Section 1 to the northeast corner of said Memorial Thicket, Section 1;

THENCE in a northwesterly direction with the north line of said Memorial Thicket, Section 1 to the north right-of-way line of Memorial Drive at the west right-of-way of Westlake Park Boulevard;

THENCE in a southwesterly direction with the north right-of-way line of said Memorial Drive to the northeast corner of Barker Place Townhomes;

THENCE in a westerly direction with the north line of said Barker Place Townhomes to the east line of Barker Court Townhomes;

THENCE in a northerly direction with the east line of said Barker Court Townhomes and the east line of Barkers Landing subdivision to the northeast corner of said Barkers Landing subdivision located in the south right-of-way line of Grisby Road;

THENCE in a westerly direction with the south right-of-way line of said Grisby Road to the northwest corner of said Barkers Landing, Section 3;

THENCE in a westerly direction with the north line of Barkers Landing, Section 4, to the west right-of-way line of Addicks Howell Road;

THENCE in a northerly direction with the west right-of-way line of said Addicks Howell Road to the south right-of-way line of said Interstate Highway 10;

THENCE in a westerly direction with the south right-of-way line of said Interstate Highway 10 to the projected east line of Park Ten, Section 10;
THENCE in a northerly direction crossing said Interstate Highway 10 with the projected east line of said Park Ten, Section 10, to the projected north line of Gateway at Park 10; 

THENCE in an easterly direction with the projected north line of said Gateway at Park 10 and the north line of Domich at Park 10 to the west right-of-way line of State Highway 6; 

THENCE continuing in an easterly direction with the projected north line of Park Ten Ranch Apartments and Park Ten MUD Water Supply passing the east line of said Park Ten MUD Water Supply and continuing easterly an additional 360 feet to the east line of a 3.1200-acre tract; 

THENCE in a southerly direction with the east line of said 3.1200-acre tract to the north right-of-way line of Park and Ride Drive; 

THENCE in an easterly direction with the north right-of-way line of said Park and Ride Drive to the end of said Park and Ride Drive; 

THENCE in a southerly direction with the end of said Park and Ride Drive to the north line of Addicks Park and Ride, Section 2; 

THENCE in an easterly direction with the north line of said Addicks Park and Ride, Section 2 to the east line of said Addicks Park and Ride, Section 2; 

THENCE in a southerly direction with the east line of said Addicks Park and Ride, Section 2 to the north right-of-way line of Old Katy Road; 

THENCE in an easterly direction with the north right-of-way line of said Old Katy Road to the west line of a flood control
ditch and the Houston City Limit Line;

THENCE in a northerly direction with the west line of said 
flood control ditch and the Houston City Limit Line to the 
projected north line of Addicks Dam Subdivision;

THENCE in an easterly direction with the projected north line 
of said Addicks Dam Subdivision to the east line of said Woodcreek 
Park, Section 1;

THENCE in a southerly direction with the east line of said 
Woodcreek Park, Section 1 projected across Interstate Highway 10 to 
the POINT OF BEGINNING save and except the entire limits of the 
Addicks Dam Subdivision located north of Old Katy Road and West of 
Eldridge Parkway.

Sec. 376.455. FINDINGS RELATING TO BOUNDARIES. The 
boundaries and field notes of the district form a closure. If a 
mistake is made in the field notes or in copying the field notes in 
the legislative process, the mistake does not affect the 
district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes 
for which the district is created or to pay the principal of and 
interest on a bond;

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

(4) legality or operation.

Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

(a) The district is created to serve a public use and benefit. 
All the land and other property included in the district will be
benefited by the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this subchapter.

(b) The creation of the district is in the public interest and is essential to:

(1) further the public purposes of the development and diversification of the economy of the state; and

(2) eliminate unemployment and underemployment and develop or expand transportation and commerce.

(c) The district will:

(1) promote the health, safety, and general welfare of residents, employers, employees, visitors, consumers in the district, and the general public;

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

(3) further promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty.

(d) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.
(e) The district will not act as the agent or
instrumentality of any private interest even though many private
interests will be benefited by the district, as will the general
public.

Sec. 376.457. APPLICATION OF OTHER LAW. Except as otherwise
provided by this subchapter, Chapter 375 applies to the district.

Sec. 376.458. CONSTRUCTION OF SUBCHAPTER. This subchapter
shall be liberally construed in conformity with the findings and
purposes stated in this subchapter.

Sec. 376.459. BOARD OF DIRECTORS IN GENERAL. (a) The
district is governed by a board of nine voting directors appointed
under Section 376.460 and nonvoting directors as provided by
Section 376.461.

(b) Voting directors serve staggered terms of four years,
with four directors' terms expiring June 1 of an odd-numbered year
and five directors' terms expiring June 1 of the following
odd-numbered year.

(c) A voting director may receive compensation as provided
by Section 49.060, Water Code. [7]

Sec. 376.460. APPOINTMENT OF DIRECTORS. (a) The mayor and
members of the governing body of the municipality shall appoint
voting directors from persons recommended by the board. A person
is appointed if a majority of the directors and the mayor vote to
appoint that person.

(b) A person may not be appointed to the board if the
appointment of that person would result in less than two-thirds of
the directors residing in the municipality.
Sec. 376.461. NONVOTING DIRECTORS. (a) The following persons shall serve as nonvoting directors:

(1) the director of the following departments of the municipality:

(A) parks and recreation;
(B) planning and development;
(C) public works; and
(D) civic center;

(2) the municipality's chief of police;

(3) the director of the engineering division of the county department of public infrastructure;

(4) the Houston district engineer for the Texas Department of Transportation;

(5) the county's general manager of the Metropolitan Transit Authority; and

(6) the presidents of any institutions of higher learning located in the district.

(b) If an agency, department, or division described by Subsection (a) is consolidated, renamed, or changed, the board may appoint a director of the consolidated, renamed, or changed agency, department, or division as a nonvoting director. If an agency, department, or division described by Subsection (a) is abolished, the board may appoint a representative of another agency, department, or division that performs duties comparable to those performed by the abolished entity.

Sec. 376.462. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT.

(a) Except as provided by this section:
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(1) a director may participate in all board votes and decisions; and

(2) Chapter 171 governs conflicts of interest for board members.

(b) Section 171.004 does not apply to the district. A director who has a substantial interest in a business or charitable entity that will receive a pecuniary benefit from a board action shall file a one-time affidavit declaring the interest. An additional affidavit is not required if the director's interest changes. After the affidavit is filed with the board secretary, the director may participate in a discussion or vote on that action if:

(1) a majority of the directors have a similar interest in the same entity; or

(2) all other similar business or charitable entities in the district will receive a similar pecuniary benefit.

(c) A director who is also an officer or employee of a public entity may not participate in the discussion of or vote on a matter regarding a contract with that same public entity.

(d) For purposes of this section, a director has a substantial interest in a charitable entity in the same manner that a person would have a substantial interest in a business entity under Section 171.002.

Sec. 376.463. ELECTRONIC TRANSMISSIONS. (a) The district may acquire, operate, or charge fees for the use of district conduits for:

(1) another person's:
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(A) telecommunications network;
(B) fiber-optic cable; or
(C) electronic transmission line; or
(2) any other types of transmission line or supporting facility.

(b) The district may not require a person to use a district conduit.

Sec. 376.464. ADDITIONAL POWERS OF DISTRICT. (a) The district may exercise the powers given to a corporation created under Section 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes).

(b) The district may exercise the powers given to a housing finance corporation created under Chapter 394 to provide housing or residential development projects in the district.

Sec. 376.465. AGREEMENTS: GENERAL; GIFTS, INTERLOCAL AGREEMENTS, AND LAW ENFORCEMENT SERVICES. (a) The district may make an agreement with or accept a gift, grant, or loan from any person.

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

(c) To protect the public interest, the district may contract with the municipality or the county to provide law enforcement services in the district for a fee.

Sec. 376.466. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act on behalf of the district in implementing a project
or providing a service authorized by this subchapter.

(b) The board shall appoint the board of directors of a nonprofit corporation created under this section. The board of directors of the nonprofit corporation shall serve in the same manner as a board of directors of a local government corporation created under Chapter 431, Transportation Code.

(c) A nonprofit corporation created under this section has the powers of and is considered for purposes of this subchapter to be a local government corporation created under Chapter 431, Transportation Code.

(d) A nonprofit corporation created under this section may implement any project and provide any service authorized by this subchapter.

Sec. 376.467. REQUIREMENTS FOR FINANCING SERVICES AND IMPROVEMENTS. The board may not finance a service or improvement project under this subchapter unless a written petition requesting the improvement or service has been filed with the board. The petition must be signed by:

(1) the owners of a majority of the assessed value of real property in the district as determined by the most recent certified county property tax rolls; or

(2) at least 25 persons who own land in the district, if there are more than 25 persons who own property in the district as determined by the most recent certified county property tax rolls.

Sec. 376.468. ELECTIONS. (a) In addition to the elections the district must hold under Subchapter L, Chapter 375, the
district shall hold an election in the manner provided by that
subchapter to obtain voter approval before the district imposes a
maintenance tax or issues bonds payable from ad valorem taxes or
assessments.

(b) The board may include more than one purpose in a single
proposition at an election.

Sec. 376.469. MAINTENANCE TAX. (a) If authorized at an
election held in accordance with Section 376.468, the district may
impose and collect an annual ad valorem tax on taxable property in
the district for the maintenance and operation of the district and
the improvements constructed or acquired by the district or for the
provision of services.

(b) The board shall determine the tax rate.

Sec. 376.470. ASSESSMENTS. (a) The board may impose and
collect an assessment for any purpose authorized by this
subchapter.

(b) Assessments, including assessments resulting from an
addition to or correction of the assessment roll by the district,
reassessments, penalties and interest on an assessment or
reassessment, expenses of collection, and reasonable attorney's
fees incurred by the district:

(1) are a first and prior lien against the property
assessed;

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

(3) are the personal liability of and charge against
the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the resolution of the board imposing the assessment until the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

Sec. 376.471. UTILITIES. The district may not impose an impact fee or assessment on the property, equipment, rights-of-way, facilities, or improvements of an electric utility or a power generation company as defined by Section 31.002, Utilities Code, of a gas utility as defined by Section 101.003 or 121.001, Utilities Code, or of a person that provides to the public cable television or advanced services. 17/18

Sec. 376.472. BONDS. (a) The district may issue bonds or other obligations payable in whole or in part from ad valorem taxes, assessments, impact fees, revenues, grants, or other money of the district, or any combination of those sources of money, to pay for any authorized purpose of the district.

(b) Bonds or other obligations of the district may be issued in the form of bonds, notes, certificates of participation, including other instruments evidencing a proportionate interest in payments to be made by the district, or other obligations that are issued in the exercise of the district's borrowing power and may be issued in bearer or registered form or not represented by an instrument but the transfer of which is registered on books maintained by or on behalf of the district.

Sec. 376.473. MUNICIPAL APPROVAL. (a) Except as provided
by Subsection (b), the district must obtain approval from the
municipality's governing body of:

(1) the issuance of bonds for an improvement project;

(2) the plans and specifications of an improvement
project financed by the bonds; and

(3) the plans and specifications of a district
improvement project related to:

(A) the use of land owned by the municipality;

(B) an easement granted by the municipality; or

(C) a right-of-way of a street, road, or

highway.

(b) If the district obtains approval from the municipality's
governing body of a capital improvements budget for a period not to
exceed five years, the district may finance the capital
improvements and issue bonds specified in the budget without
further approval from the municipality.

(c) Except as provided by Section 375.263, a municipality is
not obligated to pay any bonds, notes, or other obligations of the
district.

Sec. 376.474. DISBURSEMENTS OR TRANSFERS OF FUNDS. The
board by resolution shall establish the number of directors'
signatures and the procedure required for a disbursement or
transfer of the district's money.

Sec. 376.475. COMPETITIVE BIDDING LIMIT. Section 375.221
applies to the district only for a contract with a value greater
than $25,000.

Sec. 376.476. EXCEPTION FOR DISSOLUTION OF DISTRICT WITH
C.S.S.B. No. 1226

OUTSTANDING DEBTS. (a) The board may vote to dissolve a district
that has debt. If the vote is in favor of dissolution, the
district shall remain in existence solely for the limited purpose
of discharging its debts. The dissolution is effective when all
debts have been discharged.

(b) Section 375.264 does not apply to the district.

Sec. 376.477. INITIAL DIRECTORS. (a) The initial board
consists of the following persons:

<table>
<thead>
<tr>
<th>Pos. No.</th>
<th>Name of Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Robert Becker</td>
</tr>
<tr>
<td>2</td>
<td>Tom Blackwell</td>
</tr>
<tr>
<td>3</td>
<td>Lynn Grafing</td>
</tr>
<tr>
<td>4</td>
<td>Rick Rice</td>
</tr>
<tr>
<td>5</td>
<td>David W. Hightower</td>
</tr>
<tr>
<td>6</td>
<td>Mike Turner</td>
</tr>
<tr>
<td>7</td>
<td>Ned Holmes</td>
</tr>
<tr>
<td>8</td>
<td>Roger H. Hord</td>
</tr>
<tr>
<td>9</td>
<td>Cathy Wining</td>
</tr>
</tbody>
</table>

(b) Of the initial directors, the terms of directors
appointed for positions 1 through 5 expire on June 1, 2005, and the
terms of directors appointed for positions 6 through 9 expire on
June 1, 2003.

(c) Section 376.460 does not apply to this section.

(d) This section expires September 1, 2006.

SECTION 2. The legislature finds that:

(1) proper and legal notice of the intention to
introduce this Act, setting forth the general substance of this
C.S.S.B. No. 1226

Act, has been published as provided by law, and the notice and a
copy of this Act have been furnished to all persons, agencies,
officials, or entities to which they are required to be furnished
by the constitution and laws of this state, including the governor,
who has submitted the notice and Act to the Texas Natural Resource
Conservation Commission;

(2) the Texas Natural Resource Conservation Commission
has filed its recommendations relating to this Act with the
governor, lieutenant governor, and speaker of the house of
representatives within the required time; 20/21

(3) the general law relating to consent by political
subdivisions to the creation of districts with conservation,
reclamation, and road powers and the inclusion of land in those
districts has been complied with; and

(4) all requirements of the constitution and laws of
this state and the rules and procedures of the legislature with
respect to the notice, introduction, and passage of this Act have
been fulfilled and accomplished.

SECTION 3. This Act takes effect immediately if it receives
a vote of two-thirds of all the members elected to each house, as
provided by Section 39, Article III, Texas Constitution. If this
Act does not receive the vote necessary for immediate effect, this
Act takes effect September 1, 2001.
By: Lindsay

Substitute the following for S.B. No. 1226:

By: C.S.S.B. No. 1226

A BILL TO BE ENTITLED
AN ACT

relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 376, Local Government Code, is amended by adding Subchapter K to read as follows:

SUBCHAPTER K. ENERGY CORRIDOR MANAGEMENT DISTRICT

Sec. 376.451. CREATION OF DISTRICT. (a) The Energy Corridor Management District is created as a special district under Section 59, Article XVI, Texas Constitution.

(b) The board by resolution may change the district's name.

Sec. 376.452. DECLARATION OF INTENT. (a) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, arts, entertainment, economic development, safety, and the public welfare in the area of the district.

(b) The creation of the district and this legislation are not to be interpreted to relieve the county or the municipality from providing the level of services, as of the effective date of this subchapter, each entity has to provide to the area in the district. The district is created to supplement and not supplant the county or municipal services provided in the area in the district.
By: Lindsay (Elkins) S.B. No. 1226

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 376, Local Government Code, is amended by adding Subchapter K to read as follows:

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Sec. 376.451. CREATION OF DISTRICT. (a) The Energy Corridor Management District is created as a special district under Section 59, Article XVI, Texas Constitution.

(b) The board by resolution may change the district's name.

Sec. 376.452. DECLARATION OF INTENT. (a) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, arts, entertainment, economic development, safety, and the public welfare in the area of the district.

(b) The creation of the district and this legislation are not to be interpreted to relieve the county or the municipality from providing the level of services, as of the effective date of this subchapter, each entity has to provide to the area in the district. The district is created to supplement and not supplant the county or municipal services provided in the area in the district.

(c) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59,
Article XVI, Texas Constitution, and other public purposes stated in this subchapter.

Sec. 376.453. DEFINITIONS. In this subchapter:

1. "Board" means the board of directors of the district.
2. "County" means Harris County, Texas.
3. "District" means the Energy Corridor Management District.
4. "Municipality" means the City of Houston, Texas.

Sec. 376.454. BOUNDARIES. The district includes all the territory contained in the following described area:

BEGINNING at a point at the intersection of the south right-of-way line of Interstate Highway 10 and the east right-of-way line of Tully Road;

THENCE in a southerly direction with the east right-of-way line of said Tully Road to a line approximately 267 feet south of the south right-of-way line of St. Mary's Street;

THENCE in a westerly direction with said line to the east right-of-way line of Dairy Ashford Road;

THENCE in a southerly direction with the east right-of-way line of said Dairy Ashford Road to the projected south right-of-way line of Barryknoll Lane;

THENCE in a northwesterly direction with the south right-of-way line of said Barryknoll Lane to the southeast right-of-way line of Threadneedle Street;

THENCE in a northerly direction with the southeast
right-of-way line of Threadneedle Street to the south right-of-way line of said Interstate Highway 10;

THENCE in a westerly direction with the south right-of-way line of said Interstate Highway 10 to the west line of a Harris County Flood Control Ditch and the west line of London Townhomes;

THENCE in a southerly direction with the west line of said London Townhomes and the east line of Memorial Oaks Cemetery to the southwest corner of West Bayou Oaks Townhomes;

THENCE in an easterly direction with the south line of said West Bayou Oaks Townhomes and a north line of said Memorial Oaks Cemetery to the northeast corner of Memorial Oaks Cemetery located in the south right-of-way line of Barryknoll Lane;

THENCE in a southerly direction with the east line of said Memorial Oaks Cemetery approximately 262 feet to a point;

THENCE in an easterly direction continuing with the east line of said Memorial Oaks Cemetery approximately 153 feet to a point;

THENCE in a southerly direction continuing with the east line of said Memorial Oaks Cemetery to the southeast corner of said Memorial Oaks Cemetery;

THENCE in a southwesterly direction with the south line of said Memorial Oaks Cemetery and the north line of said Thornwood, Section 1, to an angle point in the east line of Thornwood, Section 4 and the north line of Thornwood, Section 1;

THENCE in a northerly direction with the east line of said Thornwood, Section 4 to the northeast corner of said Thornwood, Section 4;
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THENCE west with the north line of said Thornwood, Section 4
to the most northerly northwest corner of said Thornwood, Section 4;

THENCE in a southerly direction with the west line of said
Thornwood, Section 4 to a point on the west line of said Thornwood,
Section 4;

THENCE in a westerly direction with the west line of said
Thornwood, Section 4 to the most southerly northwest corner of said
Thornwood, Section 4;

THENCE in a southerly direction with the west line of said
Thornwood, Section 4, and a southeast line of said Memorial Oaks
Cemetery to the south right-of-way line of La Costa Lane;

THENCE in a westerly direction with the south right-of-way
line of said La Costa Lane to the northeast right-of-way line of
Memorial Drive;

THENCE in a southeast direction with the northeast
right-of-way line of said Memorial Drive to the south right-of-way
line of Kimberly Lane;

THENCE in a westerly direction with the projected north line
of Woods on Memorial, Section 1, to the east right-of-way line of
Eldridge Road;

THENCE in a southwesterly direction with the east
right-of-way line of said Eldridge Road to the west line of Turkey
Creek Townhomes;

THENCE in a southerly direction with the west line of said
Turkey Creek Townhomes to the northeast line of Buffalo Bayou;
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THENCE in a southeasterly direction with the northeast line
of said Buffalo Bayou to a point located approximately 224 feet
north of the northwest corner of Nottingham Forest, Section 8;

THENCE in a southwesterly direction with the east line of
said Buffalo Bayou to the east line of the J. Wheaton Survey, A-80;

THENCE in a southerly direction with the east line of said J.
Wheaton Survey, A-80 to the south right-of-way line of Briar Forest
Drive;

THENCE in a westerly direction with the south right-of-way
line of said Briar Forest Drive to the west line of Lakeside
Enclave subdivision;

THENCE in a southerly direction with the west line of said
Lakeside Enclave subdivision to the north line of Parkway Plaza,
Section 3;

THENCE in a westerly direction with the north line of said
Parkway Plaza, Section 3, to the east right-of-way line of Eldridge
Road;

THENCE in a southerly direction with the east right-of-way
line of said Eldridge Road to the north right-of-way line of
Whittington Court;

THENCE in a westerly direction with the projected north
right-of-way line of said Whittington Court and the south line of
Eldridge Road Apartments to the west line of said Eldridge Road
Apartments;

THENCE in a northerly direction with the west line of said
Eldridge Road Apartments and the east line of Lakes of Parkway,
Section 1, to the north right-of-way line of Briar Forest Drive;

THENCE in a northerly direction approximately 276 feet to a point in the east line of Parkway Villages, Section 6;

THENCE in a northerly direction with the east line of said Parkway Villages, Section 6 to the south right-of-way line of Westerloch Drive;

THENCE in a northerly direction with the projected west right-of-way line of said Park Bayou Drive to the north right-of-way line of Briarhurst Drive;

THENCE in an easterly direction with the north right-of-way line of said Briarhurst Drive to the west right-of-way line of Eldridge Road;

THENCE in a northerly direction with the west right-of-way line of said Eldridge Road to the project east line of Park on Enclave subdivision;

THENCE in a northerly direction with the east line of said Park on Enclave subdivision crossing Enclave Parkway to the north line of said Buffalo Bayou and the south line of Memorial Thicket, Section 3;

THENCE in an easterly direction with the north line of said Buffalo Bayou and the south line of said Memorial Thicket, Section 3 to the west right-of-way line of South Mayde Drive;

THENCE in a northerly direction with the west right-of-way line of said South Mayde Drive to the northeast corner of said Memorial Thicket, Section 3;

THENCE in a westerly direction with the north line of said
Memorial Thicket, Section 3 to the northwest corner of said Memorial Thicket, Section 3 located in the east line of Memorial Thicket, Section 1;

THENCE in a northerly direction with the east line of said Memorial Thicket, Section 1 to the northeast corner of said Memorial Thicket, Section 1;

THENCE in a northwesterly direction with the north line of said Memorial Thicket, Section 1 to the north right-of-way line of Memorial Drive at the west right-of-way of Westlake Park Boulevard;

THENCE in a southwesterly direction with the north right-of-way line of said Memorial Drive to the northeast corner of Barker Place Townhomes;

THENCE in a westerly direction with the north line of said Barker Place Townhomes to the east line of Barker Court Townhomes;

THENCE in a northerly direction with the east line of said Barker Court Townhomes and the east line of Barkers Landing subdivision to the northeast corner of said Barkers Landing subdivision located in the south right-of-way line of Grisby Road;

THENCE in a westerly direction with the south right-of-way line of said Grisby Road to the northwest corner of said Barkers Landing, Section 3;

THENCE in a westerly direction with the north line of Barkers Landing, Section 4, to the west right-of-way line of Addicks Howell Road;

THENCE in a northerly direction with the west right-of-way line of said Addicks Howell Road to the south right-of-way line of
suggested Interstate Highway 10;

THENCE in a westerly direction with the south right-of-way line of said Interstate Highway 10 to the projected east line of Park Ten, Section 10;

THENCE in a northerly direction crossing said Interstate Highway 10 with the projected east line of said Park Ten, Section 10, to the projected north line of Gateway at Park 10;

THENCE in an easterly direction with the projected north line of said Gateway at Park 10 and the north line of Domich at Park 10 to the west right-of-way line of State Highway 6;

THENCE continuing in an easterly direction with the projected north line of Park Ten Ranch Apartments and Park Ten MUD Water Supply, passing the east line of said Park Ten MUD Water Supply and continuing easterly an additional 360 feet to the east line of a 3.1200-acre tract;

THENCE in a southerly direction with the east line of said 3.1200-acre tract to the north right-of-way line of Park and Ride Drive;

THENCE in an easterly direction with the north right-of-way line of said Park and Ride Drive to the end of said Park and Ride Drive;

THENCE in a southerly direction with the end of said Park and Ride Drive to the north line of Addicks Park and Ride, Section 2;

THENCE in an easterly direction with the north line of said Addicks Park and Ride, Section 2 to the east line of said Addicks Park and Ride, Section 2;
THENCE in a southerly direction with the east line of said Addicks Park and Ride, Section 2 to the north right-of-way line of Old Katy Road;

THENCE in an easterly direction with the north right-of-way line of said Old Katy Road to the west line of a flood control ditch and the Houston City Limit Line;

THENCE in a northerly direction with the west line of said flood control ditch and the Houston City Limit Line to the projected north line of Addicks Dam Subdivision;

THENCE in an easterly direction with the projected north line of said Addicks Dam Subdivision to the east line of said Woodcreek Park, Section 1;

THENCE in a southerly direction with the east line of said Woodcreek Park, Section 1 projected across Interstate Highway 10 to the POINT OF BEGINNING save and except the entire limits of the Addicks Dam Subdivision located north of Old Katy Road and West of Eldridge Parkway.

Sec. 376.455. FINDINGS RELATING TO BOUNDARIES. The boundaries and field notes of the district form a closure. If a mistake is made in the field notes or in copying the field notes in the legislative process, the mistake does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;
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(3) right to impose or collect an assessment or tax;

or

(4) legality or operation.

Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

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

All the land and other property included in the district will be
benefited by the improvements and services to be provided by the
district under powers conferred by Sections 52 and 52-a, Article
III, and Section 59, Article XVI, Texas Constitution, and other
powers granted under this subchapter.

(b) The creation of the district is in the public interest
and is essential to:

(1) further the public purposes of the development and
diversification of the economy of the state; and

(2) eliminate unemployment and underemployment and
develop or expand transportation and commerce.

(c) The district will:

(1) promote the health, safety, and general welfare of
residents, employers, employees, visitors, consumers in the
district, and the general public;

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

(3) further promote the health, safety, welfare, and
enjoyment of the public by providing pedestrian ways and by
landscaping and developing certain areas in the district, which are
necessary for the restoration, preservation, and enhancement of scenic beauty.

(d) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(e) The district will not act as the agent or instrumentality of any private interest even though many private interests will be benefited by the district, as will the general public.

Sec. 376.457. APPLICATION OF OTHER LAW. Except as otherwise provided by this subchapter, Chapter 375 applies to the district.

Sec. 376.458. CONSTRUCTION OF SUBCHAPTER. This subchapter shall be liberally construed in conformity with the findings and purposes stated in this subchapter.

Sec. 376.459. BOARD OF DIRECTORS IN GENERAL. (a) The district is governed by a board of nine voting directors appointed under Section 376.460 and nonvoting directors as provided by Section 376.461.

(b) Voting directors serve staggered terms of four years, with four directors' terms expiring June 1 of an odd-numbered year and five directors' terms expiring June 1 of the following odd-numbered year.

(c) A voting director may receive compensation as provided by Section 49.060, Water Code.
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Sec. 376.460. APPOINTMENT OF DIRECTORS. (a) The mayor and
members of the governing body of the municipality shall appoint
voting directors from persons recommended by the board. A person
is appointed if a majority of the directors and the mayor vote to
appoint that person.

(b) A person may not be appointed to the board if the
appointment of that person would result in less than two-thirds of
the directors residing in the municipality.

Sec. 376.461. NONVOTING DIRECTORS. (a) The following
persons shall serve as nonvoting directors:

(1) the director of the following departments of the
municipality:

(A) parks and recreation;

(B) planning and development;

(C) public works; and

(D) civic center;

(2) the municipality's chief of police;

(3) the director of the engineering division of the
county department of public infrastructure;

(4) the Houston district engineer for the Texas
Department of Transportation;

(5) the county's general manager of the Metropolitan
Transit Authority; and

(6) the presidents of any institutions of higher
learning located in the district.

(b) If an agency, department, or division described by
Subsection (a) is consolidated, renamed, or changed, the board may
appoint a director of the consolidated, renamed, or changed agency,
department, or division as a nonvoting director. If an agency,
department, or division described by Subsection (a) is abolished,
the board may appoint a representative of another agency,
department, or division that performs duties comparable to those
performed by the abolished entity.

Sec. 376.462. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT.
(a) Except as provided by this section:

(1) a director may participate in all board votes and
decisions; and

(2) Chapter 171 governs conflicts of interest for
board members.

(b) Section 171.004 does not apply to the district. A
director who has a substantial interest in a business or charitable
entity that will receive a pecuniary benefit from a board action
shall file a one-time affidavit declaring the interest. An
additional affidavit is not required if the director's interest
changes. After the affidavit is filed with the board secretary,
the director may participate in a discussion or vote on that action
if:

(1) a majority of the directors have a similar
interest in the same entity; or

(2) all other similar business or charitable entities
in the district will receive a similar pecuniary benefit.

(c) A director who is also an officer or employee of a
public entity may not participate in the discussion of or vote on a
matter regarding a contract with that same public entity.

(d) For purposes of this section, a director has a
substantial interest in a charitable entity in the same manner that
a person would have a substantial interest in a business entity
under Section 171.002.

Sec. 376.463. ELECTRONIC TRANSMISSIONS. (a) The district
may acquire, operate, or charge fees for the use of district
conduits for:

(1) another person's:

(A) telecommunications network;

(B) fiber-optic cable; or

(C) electronic transmission line; or

(2) any other types of transmission line or supporting
facility.

(b) The district may not require a person to use a district
conduit.

Sec. 376.464. ADDITIONAL POWERS OF DISTRICT. (a) The
district may exercise the powers given to a corporation created
under Section 4B, Development Corporation Act of 1979 (Article
5190.6, Vernon's Texas Civil Statutes).

(b) The district may exercise the powers given to a housing
finance corporation created under Chapter 394 to provide housing or
residential development projects in the district.

Sec. 376.465. AGREEMENTS: GENERAL; GIFTS, INTERLOCAL
AGREEMENTS, AND LAW ENFORCEMENT SERVICES. (a) The district may
make an agreement with or accept a gift, grant, or loan from any
person.

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

(c) To protect the public interest, the district may
contract with the municipality or the county to provide law
enforcement services in the district for a fee.

Sec. 376.466. NONPROFIT CORPORATION. (a) The board by
resolution may authorize the creation of a nonprofit corporation to
assist and act on behalf of the district in implementing a project
or providing a service authorized by this subchapter.

(b) The board shall appoint the board of directors of a
nonprofit corporation created under this section. The board of
directors of the nonprofit corporation shall serve in the same
manner as a board of directors of a local government corporation
created under Chapter 431, Transportation Code.

(c) A nonprofit corporation created under this section has
the powers of and is considered for purposes of this subchapter to
be a local government corporation created under Chapter 431,
Transportation Code.

(d) A nonprofit corporation created under this section may
implement any project and provide any service authorized by this
subchapter.

Sec. 376.467. REQUIREMENTS FOR FINANCING SERVICES AND
IMPROVEMENTS. The board may not finance a service or improvement
project under this subchapter unless a written petition requesting
the improvement or service has been filed with the board. The
petition must be signed by:

(1) the owners of a majority of the assessed value of
real property in the district as determined by the most recent
certified county property tax rolls; or

(2) at least 25 persons who own land in the district,
if there are more than 25 persons who own property in the district
as determined by the most recent certified county property tax
rolls.

Sec. 376.468. ELECTIONS. (a) In addition to the elections
the district must hold under Subchapter L, Chapter 375, the
district shall hold an election in the manner provided by that
subchapter to obtain voter approval before the district imposes a
maintenance tax or issues bonds payable from ad valorem taxes or
assessments.

(b) The board may include more than one purpose in a single
proposition at an election.

Sec. 376.469. MAINTENANCE TAX. (a) If authorized at an
election held in accordance with Section 376.468, the district may
impose and collect an annual ad valorem tax on taxable property in
the district for the maintenance and operation of the district and
the improvements constructed or acquired by the district or for the
provision of services.

(b) The board shall determine the tax rate.

Sec. 376.470. ASSESSMENTS. (a) The board may impose and
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collect an assessment for any purpose authorized by this
subchapter.

(b) Assessments, including assessments resulting from an
addition to or correction of the assessment roll by the district,
reassessments, penalties and interest on an assessment or
reassessment, expenses of collection, and reasonable attorney's
fees incurred by the district:

(1) are a first and prior lien against the property
assessed;

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

(3) are the personal liability of and charge against
the owners of the property even if the owners are not named in the
assessment proceedings.

(c) The lien is effective from the date of the resolution of
the board imposing the assessment until the assessment is paid.
The board may enforce the lien in the same manner that the board
may enforce an ad valorem tax lien against real property.

Sec. 376.471. UTILITIES. The district may not impose an
impact fee or assessment on the property, equipment, rights-of-way,
facilities, or improvements of an electric utility or a power
generation company as defined by Section 31.002, Utilities Code, of
a gas utility as defined by Section 101.003 or 121.001, Utilities
Code, or of a person that provides to the public cable television
or advanced services.
Sec. 376.472. BONDS. (a) The district may issue bonds or other obligations payable in whole or in part from ad valorem taxes, assessments, impact fees, revenues, grants, or other money of the district, or any combination of those sources of money, to pay for any authorized purpose of the district.

(b) Bonds or other obligations of the district may be issued in the form of bonds, notes, certificates of participation, including other instruments evidencing a proportionate interest in payments to be made by the district, or other obligations that are issued in the exercise of the district's borrowing power and may be issued in bearer or registered form or not represented by an instrument but the transfer of which is registered on books maintained by or on behalf of the district.

Sec. 376.473. MUNICIPAL APPROVAL. (a) Except as provided by Subsection (b), the district must obtain approval from the municipality's governing body of:

(1) the issuance of bonds for an improvement project;
(2) the plans and specifications of an improvement project financed by the bonds; and
(3) the plans and specifications of a district improvement project related to:

(A) the use of land owned by the municipality;
(B) an easement granted by the municipality; or
(C) a right-of-way of a street, road, or highway.

(b) If the district obtains approval from the municipality's
governing body of a capital improvements budget for a period not to
exceed five years, the district may finance the capital
improvements and issue bonds specified in the budget without
further approval from the municipality.

(c) Except as provided by Section 375.263, a municipality is
not obligated to pay any bonds, notes, or other obligations of the
district.

Sec. 376.474. DISBURSEMENTS OR TRANSFERS OF FUNDS. The
board by resolution shall establish the number of directors'
signatures and the procedure required for a disbursement or
transfer of the district's money.

Sec. 376.475. COMPETITIVE BIDDING LIMIT. Section 375.221
applies to the district only for a contract with a value greater
than $25,000.

Sec. 376.476. EXCEPTION FOR DISSOLUTION OF DISTRICT WITH
OUTSTANDING DEBTS. (a) The board may vote to dissolve a district
that has debt. If the vote is in favor of dissolution, the
district shall remain in existence solely for the limited purpose
of discharging its debts. The dissolution is effective when all
debts have been discharged.

(b) Section 375.264 does not apply to the district.

Sec. 376.477. INITIAL DIRECTORS. (a) The initial board
consists of the following persons:

<table>
<thead>
<tr>
<th>Pos. No.</th>
<th>Name of Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Robert Becker</td>
</tr>
<tr>
<td>2</td>
<td>Tom Blackwell</td>
</tr>
</tbody>
</table>
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(b) Of the initial directors, the terms of directors appointed for positions 1 through 5 expire on June 1, 2005, and the terms of directors appointed for positions 6 through 9 expire on June 1, 2003.

(c) Section 376.460 does not apply to this section.

(d) This section expires September 1, 2006.

SECTION 2. The legislature finds that:

(1) proper and legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished by the constitution and laws of this state, including the governor, who has submitted the notice and Act to the Texas Natural Resource Conservation Commission;

(2) the Texas Natural Resource Conservation Commission has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time;
(3) the general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with; and

(4) all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2001.
TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations
FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1226 by Lindsay (Relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.), Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the Senate as to its probable fiscal implication on units of local government.

Source Agencies:
LBB Staff: JK, DB
LEGISLATIVE BUDGET BOARD  
Austin, Texas  
FISCAL NOTE, 77th Regular Session  
March 14, 2001  

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations  

FROM: John Keel, Director, Legislative Budget Board  

IN RE: SB1226 by Lindsay (Relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.), As Introduced  

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the Senate as to its probable fiscal implication on units of local government.  

Source Agencies:  
LBB Staff: JK, DB
A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 376, Local Government Code, is amended by adding Subchapter K to read as follows:

SUBCHAPTER K. ENERGY CORRIDOR MANAGEMENT DISTRICT

Sec. 376.451. CREATION OF DISTRICT. (a) The Energy Corridor Management District is created as a special district under Section 59, Article XVI, Texas Constitution.

(b) The board by resolution may change the district’s name.

Sec. 376.452. DECLARATION OF INTENT. (a) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, arts, entertainment, economic development, safety, and the public welfare in the area of the district.

(b) The creation of the district and this legislation are not to be interpreted to relieve the county or the municipality from providing the level of services, as of the effective date of this subchapter, each entity has to provide to the area in the district. The district is created to supplement and not supplant the county or municipal services provided in the area in the district.

(c) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59,
Article XVI, Texas Constitution, and other public purposes stated in this subchapter.

Sec. 376.453. DEFINITIONS. In this subchapter:

(1) "Board" means the board of directors of the district.

(2) "County" means Harris County, Texas.

(3) "District" means the Energy Corridor Management District.

(4) "Municipality" means the City of Houston, Texas.

Sec. 376.454. BOUNDARIES. The district includes all the territory contained in the following described area:

BEGINNING at a point at the intersection of the south right-of-way line of Interstate Highway 10 and the east right-of-way line of Tully Road;

THENCE in a southerly direction with the east right-of-way line of said Tully Road to a line approximately 267 feet south of the south right-of-way line of St. Mary's Street;

THENCE in a westerly direction with said line to the east right-of-way line of Dairy Ashford Road;

THENCE in a southerly direction with the east right-of-way line of said Dairy Ashford Road to the projected south right-of-way line of Barryknoll Lane;

THENCE in a northwesterly direction with the south right-of-way line of said Barryknoll Lane to the southeast right-of-way line of Threadneedle Street;

THENCE in a northerly direction with the southeast
right-of-way line of Threadneedle Street to the south right-of-way
line of said Interstate Highway 10;

THENCE in a westerly direction with the south right-of-way
line of said Interstate Highway 10 to the west line of a Harris
County Flood Control Ditch and the west line of London Townhomes;

THENCE in a southerly direction with the west line of said
London Townhomes and the east line of Memorial Oaks Cemetery to the
southwest corner of West Bayou Oaks Townhomes;

THENCE in an easterly direction with the south line of said
West Bayou Oaks Townhomes and a north line of said Memorial Oaks
Cemetery to the northeast corner of Memorial Oaks Cemetery located
in the south right-of-way line of Barryknoll Lane;

THENCE in a southerly direction with the east line of said
Memorial Oaks Cemetery approximately 262 feet to a point;

THENCE in an easterly direction continuing with the east line
of said Memorial Oaks Cemetery approximately 153 feet to a point;

THENCE in a southerly direction continuing with the east line
of said Memorial Oaks Cemetery to the southeast corner of said
Memorial Oaks Cemetery;

THENCE in a southwesterly direction with the south line of
said Memorial Oaks Cemetery and the north line of said Thornwood,
Section 1, to an angle point in the east line of Thornwood, Section
4 and the north line of Thornwood, Section 1;

THENCE in a northerly direction with the east line of said
Thornwood, Section 4 to the northeast corner of said Thornwood,
Section 4;
THENCE west with the north line of said Thornwood, Section 4
to the most northerly northwest corner of said Thornwood, Section 4;
THENCE in a southerly direction with the west line of said
Thornwood, Section 4 to a point on the west line of said Thornwood,
Section 4;
THENCE in a westerly direction with the west line of said
Thornwood, Section 4 to the most southerly northwest corner of said
Thornwood, Section 4;
THENCE in a southerly direction with the west line of said
Thornwood, Section 4, and a southeast line of said Memorial Oaks
Cemetery to the south right-of-way line of La Costa Lane;
THENCE in a westerly direction with the south right-of-way
line of said La Costa Lane to the northeast right-of-way line of
Memorial Drive;
THENCE in a southeast direction with the northeast
right-of-way line of said Memorial Drive to the south right-of-way
line of Kimberly Lane;
THENCE in a westerly direction with the projected north line
of Woods on Memorial, Section 1, to the east right-of-way line of
Eldridge Road;
THENCE in a southwesterly direction with the east
right-of-way line of said Eldridge Road to the west line of Turkey
Creek Townhomes;
THENCE in a southerly direction with the west line of said
Turkey Creek Townhomes to the northeast line of Buffalo Bayou;
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THENCE in a southeasterly direction with the northeast line

of said Buffalo Bayou to a point located approximately 224 feet

north of the northwest corner of Nottingham Forest, Section 8;

THENCE in a southwesterly direction with the east line of

said Buffalo Bayou to the east line of the J. Wheaton Survey, A-80;

THENCE in a southerly direction with the east line of said J.

Wheaton Survey, A-80 to the south right-of-way line of Briar Forest

Drive;

THENCE in a westerly direction with the south right-of-way

line of said Briar Forest Drive to the west line of Lakeside

Enclave subdivision;

THENCE in a southerly direction with the west line of said

Lakeside Enclave subdivision to the north line of Parkway Plaza,

Section 3;

THENCE in a westerly direction with the north line of said

Parkway Plaza, Section 3, to the east right-of-way line of Eldridge

Road;

THENCE in a southerly direction with the east right-of-way

line of said Eldridge Road to the north right-of-way line of

Whittington Court;

THENCE in a westerly direction with the projected north

right-of-way line of said Whittington Court and the south line of

Eldridge Road Apartments to the west line of said Eldridge Road

Apartments;

THENCE in a northerly direction with the west line of said

Eldridge Road Apartments and the east line of Lakes of Parkway,
Section 1, to the north right-of-way line of Briar Forest Drive;

THENCE in a northerly direction approximately 276 feet to a point in the east line of Parkway Villages, Section 6;

THENCE in a northerly direction with the east line of said Parkway Villages, Section 6 to the south right-of-way line of Westerloch Drive;

THENCE in a northerly direction with the projected west right-of-way line of said Park Bayou Drive to the north right-of-way line of Briarhurst Drive;

THENCE in an easterly direction with the north right-of-way line of said Briarhurst Drive to the west right-of-way line of Eldridge Road;

THENCE in a northerly direction with the west right-of-way line of said Eldridge Road to the project east line of Park on Enclave subdivision;

THENCE in a northerly direction with the east line of said Park on Enclave subdivision crossing Enclave Parkway to the north line of said Buffalo Bayou and the south line of Memorial Thicket, Section 3;

THENCE in an easterly direction with the north line of said Buffalo Bayou and the south line of said Memorial Thicket, Section 3 to the west right-of-way line of South Mayde Drive;

THENCE in a northerly direction with the west right-of-way line of said South Mayde Drive to the northeast corner of said Memorial Thicket, Section 3;

THENCE in a westerly direction with the north line of said
Memorial Thicket, Section 3 to the northwest corner of said
Memorial Thicket, Section 3 located in the east line of Memorial
Thicket, Section 1;

THENCE in a northerly direction with the east line of said
Memorial Thicket, Section 1 to the northeast corner of said
Memorial Thicket, Section 1;

THENCE in a northwesterly direction with the north line of
said Memorial Thicket, Section 1 to the north right-of-way line of
Memorial Drive at the west right-of-way of Westlake Park Boulevard;

THENCE in a southwesterly direction with the north
right-of-way line of said Memorial Drive to the northeast corner of
Barker Place Townhomes;

THENCE in a westerly direction with the north line of said
Barker Place Townhomes to the east line of Barker Court Townhomes;

THENCE in a northerly direction with the east line of said
Barker Court Townhomes and the east line of Barkers Landing
subdivision to the northeast corner of said Barkers Landing
subdivision located in the south right-of-way line of Grisby Road;

THENCE in a westerly direction with the south right-of-way
line of said Grisby Road to the northwest corner of said Barkers
Landing, Section 3;

THENCE in a westerly direction with the north line of Barkers
Landing, Section 4, to the west right-of-way line of Addicks Howell
Road;

THENCE in a northerly direction with the west right-of-way
line of said Addicks Howell Road to the south right-of-way line of
said Interstate Highway 10;

THENCE in a westerly direction with the south right-of-way
line of said Interstate Highway 10 to the projected east line of
Park Ten, Section 10;

THENCE in a northerly direction crossing said Interstate
Highway 10 with the projected east line of said Park Ten, Section
10, to the projected north line of Gateway at Park 10;

THENCE in an easterly direction with the projected north line
of said Gateway at Park 10 and the north line of Domich at Park 10
to the west right-of-way line of State Highway 6;

THENCE continuing in an easterly direction with the projected
north line of Park Ten Ranch Apartments and Park Ten MUD Water
Supply passing the east line of said Park Ten MUD Water Supply and
continuing easterly an additional 360 feet to the east line of a
3.1200-acre tract;

THENCE in a southerly direction with the east line of said
3.1200-acre tract to the north right-of-way line of Park and Ride
Drive;

THENCE in an easterly direction with the north right-of-way
line of said Park and Ride Drive to the end of said Park and Ride
Drive;

THENCE in a southerly direction with the end of said Park and
Ride Drive to the north line of Addicks Park and Ride, Section 2;

THENCE in an easterly direction with the north line of said
Addicks Park and Ride, Section 2 to the east line of said Addicks
Park and Ride, Section 2;
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THENCE in a southerly direction with the east line of said
Addicks Park and Ride, Section 2 to the north right-of-way line of
Old Katy Road;

THENCE in an easterly direction with the north right-of-way
line of said Old Katy Road to the west line of a flood control
ditch and the Houston City Limit Line;

THENCE in a northerly direction with the west line of said
flood control ditch and the Houston City Limit Line to the
projected north line of Addicks Dam Subdivision;

THENCE in an easterly direction with the projected north line
of said Addicks Dam Subdivision to the east line of said Woodcreek
Park, Section 1;

THENCE in a southerly direction with the east line of said
Woodcreek Park, Section 1 projected across Interstate Highway 10 to
the POINT OF BEGINNING save and except the entire limits of the
Addicks Dam Subdivision located north of Old Katy Road and West of
Eldridge Parkway.

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boundaries and field notes of the district form a closure. If a
mistake is made in the field notes or in copying the field notes in
the legislative process, the mistake does not affect the
district's:

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(2) right to issue any type of bond for the purposes
for which the district is created or to pay the principal of and
interest on a bond.
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(3) right to impose or collect an assessment or tax;

or

(4) legality or operation.

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(a) The district is created to serve a public use and benefit. All the land and other property included in the district will be benefited by the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this subchapter.

(b) The creation of the district is in the public interest and is essential to:

(1) further the public purposes of the development and diversification of the economy of the state; and

(2) eliminate unemployment and underemployment and develop or expand transportation and commerce.

(c) The district will:

(1) promote the health, safety, and general welfare of residents, employers, employees, visitors, consumers in the district, and the general public;

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

(3) further promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are
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necessary for the restoration, preservation, and enhancement of scenic beauty.

(d) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(e) The district will not act as the agent or instrumentality of any private interest even though many private interests will be benefited by the district, as will the general public.

Sec. 376.457. APPLICATION OF OTHER LAW. Except as otherwise provided by this subchapter, Chapter 375 applies to the district.

Sec. 376.458. CONSTRUCTION OF SUBCHAPTER. This subchapter shall be liberally construed in conformity with the findings and purposes stated in this subchapter.

Sec. 376.459. BOARD OF DIRECTORS IN GENERAL. (a) The district is governed by a board of nine voting directors appointed under Section 376.460 and nonvoting directors as provided by Section 376.461.

(b) Voting directors serve staggered terms of four years, with four directors' terms expiring June 1 of an odd-numbered year and five directors' terms expiring June 1 of the following odd-numbered year.

(c) A voting director may receive compensation as provided by Section 49.060, Water Code.
Sec. 376.460. APPOINTMENT OF DIRECTORS. (a) The mayor and members of the governing body of the municipality shall appoint voting directors from persons recommended by the board. A person is appointed if a majority of the directors and the mayor vote to appoint that person.

(b) A person may not be appointed to the board if the appointment of that person would result in less than two-thirds of the directors residing in the municipality.

Sec. 376.461. NONVOTING DIRECTORS. (a) The following persons shall serve as nonvoting directors:

(1) the director of the following departments of the municipality:

(A) parks and recreation;
(B) planning and development;
(C) public works; and
(D) civic center;

(2) the municipality's chief of police;

(3) the director of the engineering division of the county department of public infrastructure;

(4) the Houston district engineer for the Texas Department of Transportation;

(5) the county's general manager of the Metropolitan Transit Authority; and

(6) the presidents of any institutions of higher learning located in the district.

(b) If an agency, department, or division described by
Subsection (a) is consolidated, renamed, or changed, the board may
appoint a director of the consolidated, renamed, or changed agency,
department, or division as a nonvoting director. If an agency,
department, or division described by Subsection (a) is abolished,
the board may appoint a representative of another agency,
department, or division that performs duties comparable to those
performed by the abolished entity.

Sec. 376.462. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT.
(a) Except as provided by this section:
   (1) a director may participate in all board votes and
decisions; and
   (2) Chapter 171 governs conflicts of interest for
board members.
(b) Section 171.004 does not apply to the district. A
director who has a substantial interest in a business or charitable
entity that will receive a pecuniary benefit from a board action
shall file a one-time affidavit declaring the interest. An
additional affidavit is not required if the director's interest
changes. After the affidavit is filed with the board secretary,
the director may participate in a discussion or vote on that action
if:
   (1) a majority of the directors have a similar
interest in the same entity; or
   (2) all other similar business or charitable entities
in the district will receive a similar pecuniary benefit.
(c) A director who is also an officer or employee of a
public entity may not participate in the discussion of or vote on a
matter regarding a contract with that same public entity.

(d) For purposes of this section, a director has a
substantial interest in a charitable entity in the same manner that
a person would have a substantial interest in a business entity
under Section 171.002.

Sec. 376.463. ELECTRONIC TRANSMISSIONS. (a) The district
may acquire, operate, or charge fees for the use of district
conduits for:

(1) another person's:

(A) telecommunications network;

(B) fiber-optic cable; or

(C) electronic transmission line; or

(2) any other types of transmission line or supporting
facility.

(b) The district may not require a person to use a district
conduit.

Sec. 376.464. ADDITIONAL POWERS OF DISTRICT. (a) The
district may exercise the powers given to a corporation created
under Section 4B, Development Corporation Act of 1979 (Article
5190.6, Vernon's Texas Civil Statutes).

(b) The district may exercise the powers given to a housing
finance corporation created under Chapter 394 to provide housing or
residential development projects in the district.

Sec. 376.465. AGREEMENTS: GENERAL; GIFTS, INTERLOCAL
AGREEMENTS, AND LAW ENFORCEMENT SERVICES. (a) The district may
S.B. No. 1226

make an agreement with or accept a gift, grant, or loan from any person.

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

(c) To protect the public interest, the district may contract with the municipality or the county to provide law enforcement services in the district for a fee.

Sec. 376.466. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act on behalf of the district in implementing a project or providing a service authorized by this subchapter.

(b) The board shall appoint the board of directors of a nonprofit corporation created under this section. The board of directors of the nonprofit corporation shall serve in the same manner as a board of directors of a local government corporation created under Chapter 431, Transportation Code.

(c) A nonprofit corporation created under this section has the powers of and is considered for purposes of this subchapter to be a local government corporation created under Chapter 431, Transportation Code.

(d) A nonprofit corporation created under this section may implement any project and provide any service authorized by this subchapter.

Sec. 376.467. REQUIREMENTS FOR FINANCING SERVICES AND IMPROVEMENTS. The board may not finance a service or improvement
project under this subchapter unless a written petition requesting
the improvement or service has been filed with the board. The
petition must be signed by:

(1) the owners of a majority of the assessed value of
real property in the district as determined by the most recent
certified county property tax rolls; or

(2) at least 25 persons who own land in the district,
if there are more than 25 persons who own property in the district
as determined by the most recent certified county property tax
rolls.

Sec. 376.468. ELECTIONS. (a) In addition to the elections
the district must hold under Subchapter L, Chapter 375, the
district shall hold an election in the manner provided by that
subchapter to obtain voter approval before the district imposes a
maintenance tax or issues bonds payable from ad valorem taxes or
assessments.

(b) The board may include more than one purpose in a single
proposition at an election.

Sec. 376.469. MAINTENANCE TAX. (a) If authorized at an
election held in accordance with Section 376.468, the district may
impose and collect an annual ad valorem tax on taxable property in
the district for the maintenance and operation of the district and
the improvements constructed or acquired by the district or for the
provision of services.

(b) The board shall determine the tax rate.

Sec. 376.470. ASSESSMENTS. (a) The board may impose and
collect an assessment for any purpose authorized by this subchapter.

(b) Assessments, including assessments resulting from an addition to or correction of the assessment roll by the district, reassessments, penalties and interest on an assessment or reassessment, expenses of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed;

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

(3) are the personal liability of and charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the resolution of the board imposing the assessment until the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

Sec. 376.471. UTILITIES. The district may not impose an impact fee or assessment on the property, equipment, rights-of-way, facilities, or improvements of an electric utility or a power generation company as defined by Section 31.002, Utilities Code, or a gas utility as defined by Section 101.003 or 121.001, Utilities Code, or of a person that provides to the public cable television or advanced services.
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Sec. 376.472. BONDS. (a) The district may issue bonds or
other obligations payable in whole or in part from ad valorem
taxes, assessments, impact fees, revenues, grants, or other money
of the district, or any combination of those sources of money, to
pay for any authorized purpose of the district.

(b) Bonds or other obligations of the district may be issued
in the form of bonds, notes, certificates of participation,
including other instruments evidencing a proportionate interest in
payments to be made by the district, or other obligations that are
issued in the exercise of the district's borrowing power and may be
issued in bearer or registered form or not represented by an
instrument but the transfer of which is registered on books
maintained by or on behalf of the district.

Sec. 376.473. MUNICIPAL APPROVAL. (a) Except as provided
by Subsection (b), the district must obtain approval from the
municipality's governing body of:

(1) the issuance of bonds for an improvement project;

(2) the plans and specifications of an improvement
project financed by the bonds; and

(3) the plans and specifications of a district
improvement project related to:

(A) the use of land owned by the municipality;

(B) an easement granted by the municipality; or

(C) a right-of-way of a street, road, or

highway.

(b) If the district obtains approval from the municipality's
governing body of a capital improvements budget for a period not to exceed five years, the district may finance the capital improvements and issue bonds specified in the budget without further approval from the municipality.

(c) Except as provided by Section 375.263, a municipality is not obligated to pay any bonds, notes, or other obligations of the district.

Sec. 376.474. DISBURSEMENTS OR TRANSFERS OF FUNDS. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money.

Sec. 376.475. COMPETITIVE BIDDING LIMIT. Section 375.221 applies to the district only for a contract with a value greater than $25,000.

Sec. 376.476. EXCEPTION FOR DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBTS. (a) The board may vote to dissolve a district that has debt. If the vote is in favor of dissolution, the district shall remain in existence solely for the limited purpose of discharging its debts. The dissolution is effective when all debts have been discharged.

(b) Section 375.264 does not apply to the district.

Sec. 376.477. INITIAL DIRECTORS. (a) The initial board consists of the following persons:

<table>
<thead>
<tr>
<th>Pos. No.</th>
<th>Name of Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Robert Becker</td>
</tr>
<tr>
<td>2</td>
<td>Tom Blackwell</td>
</tr>
</tbody>
</table>
S.B. No. 1226

3 Lynn Grafing

4 Rick Rice

5 David W. Rightower

6 Mike Turner

7 Ned Holmes

8 Roger H. Bord

9 Cathy Wining

(b) Of the initial directors, the terms of directors-appointed for positions 1 through 5 expire on June 1, 2005, and the-terms of directors appointed for positions 6 through 9 expire on-June 1, 2003.

(c) Section 376.460 does not apply to this section.

(d) This section expires September 1, 2006.

SECTION 2. The legislature finds that:

(1) proper and legal notice of the intention to-introduce this Act, setting forth the general substance of this-Act, has been published as provided by law, and the notice and a-copy of this Act have been furnished to all persons, agencies,-officials, or entities to which they are required to be furnished-by the constitution and laws of this state, including the governor, who has submitted the notice and Act to the Texas Natural Resource-Conservation Commission;

(2) the Texas Natural Resource Conservation Commission-has filed its recommendations relating to this Act with the-governor, lieutenant governor, and speaker of the house of-representatives within the required time;
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(3) the general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with; and

(4) all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2001.
COMMITTEE REPORT

The Honorable James E. "Pete" Laney
Speaker of the House of Representatives

Sir:

We, your COMMITTEE ON COUNTY AFFAIRS
to whom was referred SB 1226 have had the same under consideration and beg to report
back with the recommendation that it

(✓) do pass, without amendment.
( ) do pass, with amendment(s).
( ) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

( ) yes ( ) no A fiscal note was requested.
( ) yes ( ) no A criminal justice policy impact statement was requested.
( ) yes ( ) no An equalized educational funding impact statement was requested.
( ) yes ( ) no An actuarial analysis was requested.
( ) yes ( ) no A water development policy impact statement was requested.
( ) yes ( ) no A tax equity note was requested.

(✓) The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor

Joint Sponsors: ____________________________

Co-Sponsors: ____________________________

This measure was reported from Committee by the following vote:

<table>
<thead>
<tr>
<th>Name</th>
<th>AYE</th>
<th>NAY</th>
<th>PNV</th>
<th>ABSENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ramsey, Chair</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lewis, G., Vice-Chair</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brown</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coatman</td>
<td>✓</td>
<td></td>
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<tr>
<td>Fanucce</td>
<td>✓</td>
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<td></td>
<td></td>
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<tr>
<td>Hiltje, bran</td>
<td>✓</td>
<td></td>
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<tr>
<td>Kruse</td>
<td>✓</td>
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<tr>
<td>Squires</td>
<td>✓</td>
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<tr>
<td>Shields</td>
<td>✓</td>
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</tbody>
</table>

Total: 8 aye
0 nay
0 present, not voting
1 absent

CHAIR

5-9-2001 (date)
BILL ANALYSIS

Office of House Bill Analysis

S.B. 1226
By: Lindsay
County Affairs
5/11/2001
Engrossed

BACKGROUND AND PURPOSE

Municipal management districts can be a useful tool for financing and undertaking improvement projects. Representatives of a Houston commercial area known as “The Energy Corridor” and state legislators have joined together to propose a management district to effect improvements in the area. The businesses in the area and the population of Houston would benefit economically from a management district designed to finance improvements and services in the area. Senate Bill 1226 provides for the creation of the Energy Corridor Management District.

RULEMAKING AUTHORITY

It is the opinion of the Office of House Bill Analysis that this bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency or institution.

ANALYSIS

Senate Bill 1226 amends the Local Government Code to create the Energy Corridor Management District (district) and sets forth the boundaries of the district (Secs. 376.451 and 376.454). The bill provides that the district is governed by a board of nine voting directors (board) and sets forth the names and terms of the initial directors (Secs. 376.459 and 376.477). The bill sets forth provisions regarding the appointment, qualifications, and terms of the voting directors and provisions regarding nonvoting directors (Secs. 376.460-376.461). The bill sets forth the general powers of the district, authorizes the district to exercise the powers given to a corporation created under the Development Corporation Act of 1979, and authorizes the creation of a nonprofit corporation. The district may acquire, operate, or charge fees for the use of district conduit, for another person’s telecommunication network, fiber optic cable, electronic transmission line, or any other type of transmission line or supporting facility (Secs. 376.463-376.467). The bill authorizes the board to impose and collect assessments and authorizes the district, with majority approval of the district’s voters, to impose and collect a maintenance tax or to issue bonds payable from ad valorem taxes or assessments. The bill prohibits the district from imposing an impact fee or assessment on the property, equipment, right-of-way, facilities, or improvements of an electric utility, a power generation company, a gas utility, or a person that provides cable television or advanced services (Secs. 376.468-376.472). The bill sets forth provisions regarding municipal approval of improvement projects and the issuance of bonds for such projects (Sec. 376.473). The bill prohibits the board from financing a service or improvement project unless the requisite petition has been filed with the board (Sec. 376.467). Competitive bidding requirements do not apply to the district unless a contract is for more than $25,000 (Sec. 376.475). The board is authorized to vote to dissolve a district that has debt (Sec. 376.476).

EFFECTIVE DATE

On passage, or if the Act does not receive the necessary vote, the Act takes effect September 1, 2001.
LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 77th Regular Session

April 25, 2001

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1226 by Lindsay (Relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.), Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the Senate as to its probable fiscal implication on units of local government.

Source Agencies:
LBB Staff: JK, DB
TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1226 by Lindsay (Relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.), As Introduced

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the Senate as to its probable fiscal implication on units of local government.

Source Agencies:
LBB Staff: JK, DB
May 9, 2001

Considered in formal meeting
Recommended to be sent to Local & Consent
Reported favorably without amendment(s)
AN ACT

relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 376, Local Government Code, is amended by adding Subchapter K to read as follows:

SUBCHAPTER K. ENERGY CORRIDOR MANAGEMENT DISTRICT

Sec. 376.451. CREATION OF DISTRICT. (a) The Energy Corridor Management District is created as a special district under Section 59, Article XVI, Texas Constitution.

(b) The board by resolution may change the district's name.

Sec. 376.452. DECLARATION OF INTENT. (a) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, arts, entertainment, economic development, safety, and the public welfare in the area of the district.

(b) The creation of the district and this legislation are not to be interpreted to relieve the county or the municipality from providing the level of services, as of the effective date of this subchapter, each entity has to provide to the area in the district. The district is created to supplement and not supplant the county or municipal services provided in the area in the district.

(c) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59.
Article XVI, Texas Constitution, and other public purposes stated
in this subchapter.

Sec. 376.453. DEFINITIONS. In this subchapter:

(1) "Board" means the board of directors of the
district.

(2) "County" means Harris County, Texas.

(3) "District" means the Energy Corridor Management
District.

(4) "Municipality" means the City of Houston, Texas.

Sec. 376.454. BOUNDARIES. The district includes all the
territory contained in the following described area:

BEGINNING at a point at the intersection of the south
right-of-way line of Interstate Highway 10 and the east
right-of-way line of Tully Road;

THENCE in a southerly direction with the east right-of-way
line of said Tully Road to a line approximately 267 feet south of
the south right-of-way line of St. Mary's Street;

THENCE in a westerly direction with said line to the east
right-of-way line of Dairy Ashford Road;

THENCE in a southerly direction with the east right-of-way
line of said Dairy Ashford Road to the projected south right-of-way
line of Barryknoll Lane;

THENCE in a northwesterly direction with the south
right-of-way line of said Barryknoll Lane to the southeast
right-of-way line of Threadneedle Street;

THENCE in a northerly direction with the southeast
right-of-way line of Threadneedle Street to the south right-of-way
line of said Interstate Highway 10;

THENCE in a westerly direction with the south right-of-way
line of said Interstate Highway 10 to the west line of a Harris
County Flood Control Ditch and the west line of London Townhomes;

THENCE in a southerly direction with the west line of said
London Townhomes and the east line of Memorial Oaks Cemetery to the
southwest corner of West Bayou Oaks Townhomes;

THENCE in an easterly direction with the south line of said
West Bayou Oaks Townhomes and a north line of said Memorial Oaks
Cemetery to the northeast corner of Memorial Oaks Cemetery located
in the south right-of-way line of Barryknoll Lane;

THENCE in a southerly direction with the east line of said
Memorial Oaks Cemetery approximately 262 feet to a point;

THENCE in an easterly direction continuing with the east line
of said Memorial Oaks Cemetery approximately 153 feet to a point;

THENCE in a southerly direction continuing with the east line
of said Memorial Oaks Cemetery to the southeast corner of said
Memorial Oaks Cemetery;

THENCE in a southwesterly direction with the south line of
said Memorial Oaks Cemetery and the north line of said Thornwood,
Section 1, to an angle point in the east line of Thornwood, Section
4 and the north line of Thornwood, Section 1;

THENCE in a northerly direction with the east line of said
Thornwood, Section 4 to the northeast corner of said Thornwood,
Section 4;
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THENCE west with the north line of said Thornwood, Section 4 to the most northerly northwest corner of said Thornwood, Section 4;

THENCE in a southerly direction with the west line of said Thornwood, Section 4 to a point on the west line of said Thornwood, Section 4;

THENCE in a westerly direction with the west line of said Thornwood, Section 4 to the most southerly northwest corner of said Thornwood, Section 4;

THENCE in a southerly direction with the west line of said Thornwood, Section 4, and a southeast line of said Memorial Oaks Cemetery to the south right-of-way line of La Costa Lane;

THENCE in a westerly direction with the south right-of-way line of said La Costa Lane to the northeast right-of-way line of Memorial Drive;

THENCE in a southeast direction with the northeast right-of-way line of said Memorial Drive to the south right-of-way line of Kimberly Lane;

THENCE in a westerly direction with the projected north line of Woods on Memorial, Section 1, to the east right-of-way line of Eldridge Road;

THENCE in a southwesterly direction with the east right-of-way line of said Eldridge Road to the west line of Turkey Creek Townhomes;

THENCE in a southerly direction with the west line of said Turkey Creek Townhomes to the northeast line of Buffalo Bayou;
THENCE in a southeasterly direction with the northeast line
of said Buffalo Bayou to a point located approximately 224 feet
north of the northwest corner of Nottingham Forest, Section 8;
THENCE in a southwesterly direction with the east line of
said Buffalo Bayou to the east line of the J. Wheaton Survey, A-80;
THENCE in a southerly direction with the east line of said J.
Wheaton Survey, A-80 to the south right-of-way line of Briar Forest
Drive;
THENCE in a westerly direction with the south right-of-way
line of said Briar Forest Drive to the west line of Lakeside
Enclave subdivision;
THENCE in a southerly direction with the west line of said
Lakeside Enclave subdivision to the north line of Parkway Plaza,
Section 3;
THENCE in a westerly direction with the north line of said
Parkway Plaza, Section 3, to the east right-of-way line of Eldridge
Road;
THENCE in a southerly direction with the east right-of-way
line of said Eldridge Road to the north right-of-way line of
Whittington Court;
THENCE in a westerly direction with the projected north
right-of-way line of said Whittington Court and the south line of
Eldridge Road Apartments to the west line of said Eldridge Road
Apartments;
THENCE in a northerly direction with the west line of said
Eldridge Road Apartments and the east line of Lakes of Parkway,
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Section 1, to the north right-of-way line of Briar Forest Drive;
THENCE in a northerly direction approximately 276 feet to a point in the east line of Parkway Villages, Section 6;
THENCE in a northerly direction with the east line of said Parkway Villages, Section 6 to the south right-of-way line of Westerloch Drive;
THENCE in a northerly direction with the projected west right-of-way line of said Park Bayou Drive to the north right-of-way line of Briarhurst Drive;
THENCE in an easterly direction with the north right-of-way line of said Briarhurst Drive to the west right-of-way line of Eldridge Road;
THENCE in a northerly direction with the west right-of-way line of said Eldridge Road to the project east line of Park on Enclave subdivision;
THENCE in a northerly direction with the east line of said Park on Enclave subdivision crossing Enclave Parkway to the north line of said Buffalo Bayou and the south line of Memorial Thicket, Section 3;
THENCE in an easterly direction with the north line of said Buffalo Bayou and the south line of said Memorial Thicket, Section 3 to the west right-of-way line of South Mayde Drive;
THENCE in a northerly direction with the west right-of-way line of said South Mayde Drive to the northeast corner of said Memorial Thicket, Section 3;
THENCE in a westerly direction with the north line of said
Memorial Thicket, Section 3 to the northwest corner of said
Memorial Thicket, Section 3 located in the east line of Memorial
Thicket, Section 1;

THENCE in a northerly direction with the east line of said
Memorial Thicket, Section 1 to the northeast corner of said
Memorial Thicket, Section 1;

THENCE in a northwesterly direction with the north line of
said Memorial Thicket, Section 1 to the north right-of-way line of
Memorial Drive at the west right-of-way of Westlake Park Boulevard;

THENCE in a southwesterly direction with the north
right-of-way line of said Memorial Drive to the northeast corner of
Barker Place Townhomes;

THENCE in a westerly direction with the north line of said
Barker Place Townhomes to the east line of Barker Court Townhomes;

THENCE in a northerly direction with the east line of said
Barker Court Townhomes and the east line of Barkers Landing
subdivision to the northeast corner of said Barkers Landing
subdivision located in the south right-of-way line of Grisby Road;

THENCE in a westerly direction with the south right-of-way
line of said Grisby Road to the northwest corner of said Barkers
Landing, Section 3;

THENCE in a westerly direction with the north line of Barkers
Landing, Section 4, to the west right-of-way line of Addicks Howell
Road;

THENCE in a northerly direction with the west right-of-way
line of said Addicks Howell Road to the south right-of-way line of
said Interstate Highway 10;

THENCE in a westerly direction with the south right-of-way
line of said Interstate Highway 10 to the projected east line of
Park Ten, Section 10;

THENCE in a northerly direction crossing said Interstate
Highway 10 with the projected east line of said Park Ten, Section
10, to the projected north line of Gateway at Park 10;

THENCE in an easterly direction with the projected north line
of said Gateway at Park 10 and the north line of Domich at Park 10
to the west right-of-way line of State Highway 6;

THENCE continuing in an easterly direction with the projected
north line of Park Ten Ranch Apartments and Park Ten MUD Water
Supply passing the east line of said Park Ten MUD Water Supply and
continuing easterly an additional 360 feet to the east line of a
3.1200-acre tract;

THENCE in a southerly direction with the east line of said
3.1200-acre tract to the north right-of-way line of Park and Ride
Drive;

THENCE in an easterly direction with the north right-of-way
line of said Park and Ride Drive to the end of said Park and Ride
Drive;

THENCE in a southerly direction with the end of said Park and
Ride Drive to the north line of Addicks Park and Ride, Section 2;

THENCE in an easterly direction with the north line of said
Addicks Park and Ride, Section 2 to the east line of said Addicks
Park and Ride, Section 2;
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THENCE in a southerly direction with the east line of said
Addicks Park and Ride, Section 2 to the north right-of-way line of
Old Katy Road;

THENCE in an easterly direction with the north right-of-way
line of said Old Katy Road to the west line of a flood control
ditch and the Houston City Limit Line;

THENCE in a northerly direction with the west line of said
flood control ditch and the Houston City Limit Line to the
projected north line of Addicks Dam Subdivision;

THENCE in an easterly direction with the projected north line
of said Addicks Dam Subdivision to the east line of said Woodcreek
Park, Section 1;

THENCE in a southerly direction with the east line of said
Woodcreek Park, Section 1 projected across Interstate Highway 10 to
the POINT OF BEGINNING save and except the entire limits of the
Addicks Dam Subdivision located north of Old Katy Road and West of
Eldridge Parkway.

Sec. 376.455. FINDINGS RELATING TO BOUNDARIES. The
boundaries and field notes of the district form a closure. If a
mistake is made in the field notes or in copying the field notes in
the legislative process, the mistake does not affect the
district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes
for which the district is created or to pay the principal of and
interest on a bond;

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

or

(4) legality or operation.

Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

(a) The district is created to serve a public use and benefit. All the land and other property included in the district will be benefited by the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this subchapter.

(b) The creation of the district is in the public interest and is essential to:

(1) further the public purposes of the development and diversification of the economy of the state; and

(2) eliminate unemployment and underemployment and develop or expand transportation and commerce.

(c) The district will:

(1) promote the health, safety, and general welfare of residents, employers, employees, visitors, consumers in the district, and the general public;

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

(3) further promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are
necessary for the restoration, preservation, and enhancement of scenic beauty.

(d) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(e) The district will not act as the agent or instrumentality of any private interest even though many private interests will be benefited by the district, as will the general public.

Sec. 376.457. APPLICATION OF OTHER LAW. Except as otherwise provided by this subchapter, Chapter 375 applies to the district.

Sec. 376.458. CONSTRUCTION OF SUBCHAPTER. This subchapter shall be liberally construed in conformity with the findings and purposes stated in this subchapter.

Sec. 376.459. BOARD OF DIRECTORS IN GENERAL. (a) The district is governed by a board of nine voting directors appointed under Section 376.460 and nonvoting directors as provided by Section 376.461.

(b) Voting directors serve staggered terms of four years, with four directors' terms expiring June 1 of an odd-numbered year and five directors' terms expiring June 1 of the following odd-numbered year.

(c) A voting director may receive compensation as provided by Section 49.060, Water Code.
Sec. 376.460. APPOINTMENT OF DIRECTORS. (a) The mayor and members of the governing body of the municipality shall appoint voting directors from persons recommended by the board. A person is appointed if a majority of the directors and the mayor vote to appoint that person.

(b) A person may not be appointed to the board if the appointment of that person would result in less than two-thirds of the directors residing in the municipality.

Sec. 376.461. NONVOTING DIRECTORS. (a) The following persons shall serve as nonvoting directors:

1. the director of the following departments of the municipality:
   (A) parks and recreation;
   (B) planning and development;
   (C) public works; and
   (D) civic center;

2. the municipality's chief of police;

3. the director of the engineering division of the county department of public infrastructure;

4. the Houston district engineer for the Texas Department of Transportation;

5. the county's general manager of the Metropolitan Transit Authority; and

6. the presidents of any institutions of higher learning located in the district.

(b) If an agency, department, or division described by
Subsection (a) is consolidated, renamed, or changed, the board may
appoint a director of the consolidated, renamed, or changed agency,
department, or division as a nonvoting director. If an agency,
department, or division described by Subsection (a) is abolished,
the board may appoint a representative of another agency,
department, or division that performs duties comparable to those
performed by the abolished entity.

Sec. 376.462. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT.

(a) Except as provided by this section:

(1) a director may participate in all board votes and
decisions; and

(2) Chapter 171 governs conflicts of interest for
board members.

(b) Section 171.004 does not apply to the district. A
director who has a substantial interest in a business or charitable
entity that will receive a pecuniary benefit from a board action
shall file a one-time affidavit declaring the interest. An
additional affidavit is not required if the director's interest
changes. After the affidavit is filed with the board secretary,
the director may participate in a discussion or vote on that action
if:

(1) a majority of the directors have a similar
interest in the same entity; or

(2) all other similar business or charitable entities
in the district will receive a similar pecuniary benefit.

(c) A director who is also an officer or employee of a
public entity may not participate in the discussion of or vote on a
matter regarding a contract with that same public entity.

(d) For purposes of this section, a director has a
substantial interest in a charitable entity in the same manner that
a person would have a substantial interest in a business entity
under Section 171.002.

Sec. 376.463. ELECTRONIC TRANSMISSIONS. (a) The district
may acquire, operate, or charge fees for the use of district
conduits for:

(1) another person's:

(A) telecommunications network;

(B) fiber-optic cable; or

(C) electronic transmission line; or

(2) any other types of transmission line or supporting
facility.

(b) The district may not require a person to use a district
conduit.

Sec. 376.464. ADDITIONAL POWERS OF DISTRICT. (a) The
district may exercise the powers given to a corporation created
under Section 4B, Development Corporation Act of 1979 (Article
5190.6, Vernon's Texas Civil Statutes).

(b) The district may exercise the powers given to a housing
finance corporation created under Chapter 394 to provide housing or
residential development projects in the district.

Sec. 376.465. AGREEMENTS: GENERAL; GIFTS, INTERLOCAL
AGREEMENTS, AND LAW ENFORCEMENT SERVICES. (a) The district may
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make an agreement with or accept a gift, grant, or loan from any
person.

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

(c) To protect the public interest, the district may
contract with the municipality or the county to provide law
enforcement services in the district for a fee.

Sec. 376.466. NONPROFIT CORPORATION. (a) The board by
resolution may authorize the creation of a nonprofit corporation to
assist and act on behalf of the district in implementing a project
or providing a service authorized by this subchapter.

(b) The board shall appoint the board of directors of a
nonprofit corporation created under this section. The board of
directors of the nonprofit corporation shall serve in the same
manner as a board of directors of a local government corporation
created under Chapter 431, Transportation Code.

(c) A nonprofit corporation created under this section has
the powers of and is considered for purposes of this subchapter to
be a local government corporation created under Chapter 431,
Transportation Code.

(d) A nonprofit corporation created under this section may
implement any project and provide any service authorized by this
subchapter.

Sec. 376.467. REQUIREMENTS FOR FINANCING SERVICES AND
IMPROVEMENTS. The board may not finance a service or improvement
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project under this subchapter unless a written petition requesting
the improvement or service has been filed with the board. The
petition must be signed by:

(1) the owners of a majority of the assessed value of
real property in the district as determined by the most recent
certified county property tax rolls; or

(2) at least 25 persons who own land in the district,
if there are more than 25 persons who own property in the district
as determined by the most recent certified county property tax
rolls.

Sec. 376.468. ELECTIONS. (a) In addition to the elections
the district must hold under Subchapter L, Chapter 375, the
district shall hold an election in the manner provided by that
subchapter to obtain voter approval before the district imposes a
maintenance tax or issues bonds payable from ad valorem taxes or
assessments.

(b) The board may include more than one purpose in a single
proposition at an election.

Sec. 376.469. MAINTENANCE TAX. (a) If authorized at an
election held in accordance with Section 376.468, the district may
impose and collect an annual ad valorem tax on taxable property in
the district for the maintenance and operation of the district and
the improvements constructed or acquired by the district or for the
provision of services.

(b) The board shall determine the tax rate.

Sec. 376.470. ASSESSMENTS. (a) The board may impose and
collect an assessment for any purpose authorized by this
subchapter.

(b) Assessments, including assessments resulting from an
addition to or correction of the assessment roll by the district,
reassessments, penalties and interest on an assessment or
reassessment, expenses of collection, and reasonable attorney's
fees incurred by the district:

(1) are a first and prior lien against the property
assessed;

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

(3) are the personal liability of and charge against
the owners of the property even if the owners are not named in the
assessment proceedings.

(c) The lien is effective from the date of the resolution of
the board imposing the assessment until the assessment is paid.
The board may enforce the lien in the same manner that the board
may enforce an ad valorem tax lien against real property.

Sec. 376.471. UTILITIES. The district may not impose an
impact fee or assessment on the property, equipment, rights-of-way,
facilities, or improvements of an electric utility or a power
generation company as defined by Section 31.002, Utilities Code, of
a gas utility as defined by Section 101.003 or 121.001, Utilities
Code, or of a person that provides to the public cable television
or advanced services.
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Sec. 376.472. BONDS. (a) The district may issue bonds or other obligations payable in whole or in part from ad valorem taxes, assessments, impact fees, revenues, grants, or other money of the district, or any combination of those sources of money, to pay for any authorized purpose of the district.

(b) Bonds or other obligations of the district may be issued in the form of bonds, notes, certificates of participation, including other instruments evidencing a proportionate interest in payments to be made by the district, or other obligations that are issued in the exercise of the district's borrowing power and may be issued in bearer or registered form or not represented by an instrument but the transfer of which is registered on books maintained by or on behalf of the district.

Sec. 376.473. MUNICIPAL APPROVAL. (a) Except as provided by Subsection (b), the district must obtain approval from the municipality's governing body of:

(1) the issuance of bonds for an improvement project;

(2) the plans and specifications of an improvement project financed by the bonds; and

(3) the plans and specifications of a district improvement project related to:

(A) the use of land owned by the municipality;

(B) an easement granted by the municipality; or

(C) a right-of-way of a street, road, or highway.

(b) If the district obtains approval from the municipality's
governing body of a capital improvements budget for a period not to exceed five years, the district may finance the capital improvements and issue bonds specified in the budget without further approval from the municipality.

(c) Except as provided by Section 375.263, a municipality is not obligated to pay any bonds, notes, or other obligations of the district.

Sec. 376.474. DISBURSEMENTS OR TRANSFERS OF FUNDS. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money.

Sec. 376.475. COMPETITIVE BIDDING LIMIT. Section 375.221 applies to the district only for a contract with a value greater than $25,000.

Sec. 376.476. EXCEPTION FOR DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBTS. (a) The board may vote to dissolve a district that has debt. If the vote is in favor of dissolution, the district shall remain in existence solely for the limited purpose of discharging its debts. The dissolution is effective when all debts have been discharged.

(b) Section 375.264 does not apply to the district.

Sec. 376.477. INITIAL DIRECTORS. (a) The initial board consists of the following persons:

<table>
<thead>
<tr>
<th>Pos. No.</th>
<th>Name of Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Robert Becker</td>
</tr>
<tr>
<td>2</td>
<td>Tom Blackwell</td>
</tr>
</tbody>
</table>
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3 Lynn Grafing
4 Rick Rice
5 David W. Hightower
6 Mike Turner
7 Ned Holmes
8 Roger H. Hord
9 Cathy Wining

(b) Of the initial directors, the terms of directors appointed for positions 1 through 5 expire on June 1, 2005, and the terms of directors appointed for positions 6 through 9 expire on June 1, 2003.

(c) Section 376.460 does not apply to this section.

(d) This section expires September 1, 2006.

SECTION 2. The legislature finds that:

(1) proper and legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished by the constitution and laws of this state, including the governor, who has submitted the notice and Act to the Texas Natural Resource Conservation Commission;

(2) the Texas Natural Resource Conservation Commission has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time;
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(3) the general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with; and

(4) all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2001.
S.B. No. 1226

President of the Senate

I hereby certify that S.B. No. 1226 passed the Senate on May 8, 2001, by the following vote: Yeas 29, Nays 0, one present, not voting.

Speaker of the House

Secretary of the Senate

I hereby certify that S.B. No. 1226 passed the House on May 23, 2001, by the following vote: Yeas 145, Nays 0, two present, not voting.

Chief Clerk of the House

Approved:

Date

Governor
President of the Senate

I hereby certify that S.B. No. 1236 passed the Senate on May 8, 2001, by the following vote: Yeas 29, Nays 0. None present, not voting.

Secretary of the Senate

I hereby certify that S.B. No. 1236 passed the House on May 23, 2001, by the following vote: Yeas 143, Nays 0. Two present, not voting.

Chief Clerk of the House

Approved:

Date

Governor

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LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 77th Regular Session

April 25, 2001

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1226 by Lindsay (Relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.), Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the Senate as to its probable fiscal implication on units of local government.

Source Agencies:
LBB Staff: JK, DB
TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1226 by Lindsay (Relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.), As Introduced

No fiscal implication to the State is anticipated. Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the Senate as to its probable fiscal implication on units of local government.

Source Agencies:
LBB Staff: JK, DB
A BILL TO BE ENTITLED

Relating to the creation of the Energy Corridor Management District; providing authority to impose a tax and issue bonds.

Filed with the Secretary of the Senate
March 15, 2001
Read and referred to Committee on INTERGOVERNMENTAL RELATIONS
Reported favorably
April 27, 2001
Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.
Ordered not printed
May 8, 2001
Laid before the Senate
Senate and Constitutional Rules to permit consideration suspended by: unanimous consent
May 8, 2001
Read second time, unanimously, and ordered engrossed: unanimous consent
May 8, 2001
Senate and Constitutional 3 Day Rule suspended by a vote of 29 yeas, 0 nays. 1 aye 1 nay
May 8, 2001
Read third time, unanimously, and passed by: unanimous consent

SECRETARY OF THE SENATE

OTHER ACTION:

May 8, 2001
Engrossed
May 8, 2001
Sent to House

Engrossing Clerk

May 8, 2001
Received from the Senate
May 9, 2001
Read first time and referred to Committee on County Affairs
May 9, 2001
Reported favorably (amended) (as substituted)
May 14, 2001
Sent to Committee on Calendars (Local & Consent Calendars)
May 23, 2001
Read second time (amended); passed to third reading (aye) by a (non-record vote)
May 23, 2001
Constitutional rule requiring bills to be read on three several days suspended (failed to suspend)
May 23, 2001
Read third time (a yes); finally passed (ayes) by a (record vote)
May 23, 2001
Returned to Senate.

Chief Clerk of the House

May 23, 2001
Returned from House without amendment.
May 23, 2001
Returned from House with amendments.
May 23, 2001
Concurred in House amendments by a viva voce vote yes, nays.
Refused to concur in House amendments and requested the appointment of a Conference Committee to adjust the differences.

Senate conferees instructed.

Senate conferees appointed: ________________ , Chairman; ________________

__________________________, ________________, and ________________

House granted Senate request. House conferees appointed: ________________ , Chairman;

__________________________, ________________ , ________________.

Conference Committee Report read and filed with the Secretary of the Senate.

Conference Committee Report adopted on the part of the House by: ______________________

{ a viva voce vote
  ______ yea(s), ______ nay(s)

Conference Committee Report adopted on the part of the Senate by:

{ a viva voce vote
  ______ yea(s), ______ nay(s)

OTHER ACTION:

Recommitted to Conference Committee

Conferees discharged.

Conference Committee Report failed of adoption by: ______________________

{ a viva voce vote
  ______ yea(s), ______ nay(s)