(b) The Texas Higher Education Coordinating Board shall adopt rules under Section 51.9705, Education Code, as added by this Act, as soon as practicable after this Act takes effect. For that purpose, the board may adopt the initial rules in the manner provided by law for adoption of emergency rules.

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, 2009.

Passed by the House on April 28, 2009: Yeas 148, Nays 1, 1 present, not voting; the House concurred in Senate amendments to H.B. No. 1096 on May 20, 2009: Yeas 132, Nays 0, 1 present, not voting; passed by the Senate, with amendments, on May 18, 2009: Yeas 31, Nays 0.

Approved June 19, 2009.

CHAPTER 349
H.B. No. 1113

AN ACT
relating to the powers and duties of the Fort Bend County Municipal Utility District No. 194; providing authority to impose a tax and issue bonds.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8317 to read as follows:

CHAPTER 8317. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 194

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8317.001. DEFINITION. In this chapter, “district” means the Fort Bend County Municipal Utility District No. 194.

Sec. 8317.002. NATURE AND PURPOSES OF DISTRICT. (a) The district is a municipal utility district created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

(b) The district is essential to accomplish the purposes of Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, or improvement of macadamized, gravelized, or paved roads described by Section 54.234, Water Code, or improvements, including storm drainage, in aid of those roads.

[Sections 8317.003–8317.050 reserved for expansion]

SUBCHAPTER B. POWERS AND DUTIES

Sec. 8317.051. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes described by Section 8317.002.

Sec. 8317.052. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8317.053. AUTHORITY FOR ROAD PROJECTS. (a) Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, and convey to this state, a county, or a municipality for operation and mainte-
nance macadamized, graveled, or paved roads described by Section 54.234, Water Code, or improvements, including storm drainage, in aid of those roads.

(b) The district may exercise the powers provided by this section without submitting a petition to or obtaining approval from the Texas Commission on Environmental Quality as required by Section 54.234, Water Code.

Sec. 8317.054. APPROVAL OF ROAD PROJECT. (a) The district may not undertake a road project authorized by Section 8317.053 unless:

(1) each municipality or county that will operate and maintain the road has approved the plans and specifications of the road project, if a municipality or county will operate and maintain the road; or

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

(b) Except as provided by Subsection (a), the district is not required to obtain approval from the Texas Transportation Commission to design, acquire, construct, finance, issue bonds for, improve, or convey a road project.

Sec. 8317.055. LIMITATION ON USE OF EMINENT DOMAIN. The district may not exercise the power of eminent domain outside the district to acquire a site or easement for a road project authorized by Section 8317.053.

[Sections 8317.056–8317.100 reserved for expansion]

SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

Sec. 8317.101. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for a road project authorized by Section 8317.053.

(b) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

(c) At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

Sec. 8317.102. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the district shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

SECTION 2. The Fort Bend County Municipal Utility District No. 194 retains all the rights, powers, privileges, authority, duties, and functions that it had before the effective date of this Act.

SECTION 3. (a) The 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 under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

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

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.
(d) 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 are fulfilled and accomplished.

SECTION 4. 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, 2009.

Passed by the House on May 5, 2009: Yeas 144, Nays 0, 1 present, not voting; the House concurred in Senate amendments to H.B. No. 1113 on May 23, 2009: Yeas 139, Nays 0, 1 present, not voting; passed by the Senate, with amendments, on May 21, 2009: Yeas 30, Nays 0.

Approved June 19, 2009.

CHAPTER 350
H.B. No. 1134

AN ACT
relating to the authority of the Dallas County Flood Control District No. 1 to enter into a tax abatement agreement and to designate a reinvestment zone.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 16A, Chapter 1081, Acts of the 68th Legislature, Regular Session, 1983, is amended to read as follows:

Sec. 16A. TAX ABATEMENT CRITERIA. The district may enter into a tax abatement agreement and may designate an area as a reinvestment zone on a finding by the board of directors that the proposed commercial-industrial or residential project or projects meet the criteria prescribed by Section 16D of this Act. The agreement must provide for the availability of tax abatement for both new facilities and structures and for the expansion or modernization of existing facilities and structures.

SECTION 2. Sections 16C(b) and (c), Chapter 1081, Acts of the 68th Legislature, Regular Session, 1983, are amended to read as follows:

(b) The resolution must describe the boundaries of the zone and the eligibility of the zone for commercial-industrial or residential tax abatement.

(c) Area of a reinvestment zone designated for commercial-industrial or residential tax abatement may be included in an overlapping or coincidental commercial-industrial or residential zone established under Chapter 312, Tax Code.

SECTION 3. Section 16D(b), Chapter 1081, Acts of the 68th Legislature, Regular Session, 1983, is amended to read as follows:

(b) The designation of a reinvestment zone for commercial-industrial or residential tax abatement expires five years after the date of the designation and may be renewed for periods not to exceed five years. The expiration of the designation does not affect an existing tax abatement agreement made under this Act.

SECTION 4. Section 16E(a), Chapter 1081, Acts of the 68th Legislature, Regular Session, 1983, is amended to read as follows:

(a) The district may agree in writing with the owner of taxable real property that is located in a reinvestment zone, but that is not in an improvement project financed by tax increment bonds, to exempt from taxation a portion of the value of the real property or of tangible personal property located on the real property, or both, for a period not to exceed 30 years, subject to the rights of holders of outstanding bonds of the district, on the condition that the owner of the property make specific improvements or repairs to the property. An agreement may provide for the exemption of the real property in each year covered by the agreement only to the extent its value for that year exceeds its value for the year in which the agreement