

1-1 By: Murphy, Israel (Senate Sponsor - Creighton) H.B. No. 1410
 1-2 (In the Senate - Received from the House April 14, 2021;
 1-3 April 19, 2021, read first time and referred to Committee on Local
 1-4 Government; May 21, 2021, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 6, Nays 0;
 1-6 May 21, 2021, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13			X	
1-14			X	
1-15	X			
1-16	X			
1-17			X	

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 1410 By: Springer

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the issuance of bonds by certain conservation and
 1-22 reclamation districts.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 49.4645, Water Code, is amended by
 1-25 amending Subsection (a) and adding Subsection (a-1) to read as
 1-26 follows:

1-27 (a) A district all or part of which is located in Bastrop
 1-28 County, Bexar County, Waller County, Travis County, Williamson
 1-29 County, Harris County, Galveston County, Brazoria County,
 1-30 Montgomery County, or Fort Bend County may issue bonds supported by
 1-31 ad valorem taxes to pay for the development and maintenance of
 1-32 recreational facilities only if the bonds are authorized by a
 1-33 majority vote of the voters of the district voting in an election
 1-34 held for that purpose. Except as provided by Subsection (a-1), the
 1-35 [The] outstanding principal amount of bonds, notes, and other
 1-36 obligations issued to finance parks and recreational facilities
 1-37 supported by ad valorem taxes may not exceed an amount equal to one
 1-38 percent of the value of the taxable property in the district [or, if
 1-39 supported by contract taxes under Section 49.108, may not exceed an
 1-40 amount equal to one percent of the value of the taxable property in
 1-41 the districts making payments under the contract] as shown by the
 1-42 tax rolls of the central appraisal district at the time of the
 1-43 issuance of the bonds, notes, and other obligations [or an amount
 1-44 greater than the estimated cost provided in the park plan under
 1-45 Subsection (b), whichever is smaller]. To establish the value of
 1-46 the taxable property in a district under this section, the district
 1-47 may use an estimate of the value provided by the central appraisal
 1-48 district. The district may not issue bonds supported by ad valorem
 1-49 taxes to pay for the development and maintenance of:

1-50 (1) indoor or outdoor swimming pools; or

1-51 (2) golf courses.

1-52 (a-1) The outstanding principal amount of bonds, notes, and
 1-53 other obligations issued to finance a recreational facility under
 1-54 Subsection (a) may exceed an amount equal to one percent but not
 1-55 three percent of the value of the taxable property in the district
 1-56 or, if supported by contract taxes under Section 49.108, the value
 1-57 of the taxable property in the districts making payments under the
 1-58 contract, if the district has:

1-59 (1) a ratio of debt to certified assessed valuation of
 1-60 10 percent or less;

- 2-1 (2) a credit rating that conforms to commission rules;
- 2-2 (3) a credit enhanced rating on the district's
- 2-3 proposed bond issue that conforms to commission rules; or
- 2-4 (4) a contract with a political subdivision or an
- 2-5 entity acting on behalf of a political subdivision under which the
- 2-6 political subdivision or the entity agrees to provide to the
- 2-7 district taxes or other revenues, as consideration for the
- 2-8 district's development or acquisition of the facility, including a
- 2-9 contract under Section 49.108.

2-10 SECTION 2. Section 54.016(e), Water Code, is amended to
2-11 read as follows:

2-12 (e) A city may provide in its written consent to the
2-13 inclusion of land in a district, that the district construct all
2-14 facilities to serve the land in accordance with plans and
2-15 specifications which have been approved by the city. The city may
2-16 also provide in its written consent that the city shall have the
2-17 right to inspect all facilities being constructed by a district.
2-18 The city's consent to the inclusion of land in the district may also
2-19 contain restrictions on the terms and provisions of the district's
2-20 bonds and notes issued to provide service to the land and conditions
2-21 on the sale of the district's bonds and notes if the restrictions
2-22 and conditions do not generally render the bonds and notes of
2-23 districts in the city's extraterritorial jurisdiction
2-24 unmarketable. The city's consent to the inclusion of land in a
2-25 district may restrict the purposes for which a district may issue
2-26 bonds to ~~[the] purposes authorized by law for the district [of the~~
2-27 ~~purchase, construction, acquisition, repair, extension and~~
2-28 ~~improvement of land, easements, works, improvements, facilities,~~
2-29 ~~plants, equipment and appliances necessary to:~~

2-30 ~~[(1) provide a water supply for municipal uses,~~
2-31 ~~domestic uses and commercial purposes;~~

2-32 ~~[(2) collect, transport, process, dispose of and~~
2-33 ~~control all domestic, industrial or communal wastes whether in~~
2-34 ~~fluid, solid or composite state; and~~

2-35 ~~[(3) gather, conduct, divert and control local storm~~
2-36 ~~water or other local harmful excesses of water in the district and~~
2-37 ~~the payment of organization expenses, operation expenses during~~
2-38 ~~construction and interest during construction].~~

2-39 SECTION 3. The change in law made by this Act to Section
2-40 54.016(e), Water Code, does not affect the terms of a city's
2-41 resolution or ordinance adopted before the effective date of this
2-42 Act that constitutes a valid, written consent under Section 54.016
2-43 of that code for land that was included in a district prior to the
2-44 effective date of this Act.

2-45 SECTION 4. This Act takes effect immediately if it receives
2-46 a vote of two-thirds of all the members elected to each house, as
2-47 provided by Section 39, Article III, Texas Constitution. If this
2-48 Act does not receive the vote necessary for immediate effect, this
2-49 Act takes effect September 1, 2021.

2-50 * * * * *