

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Presidio International Port Authority District; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3797 to read as follows:

CHAPTER 3797. PRESIDIO INTERNATIONAL PORT AUTHORITY DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3797.0101. DEFINITIONS. In this chapter:

(1) "Board" means the authority's board of directors.

(2) "City" means the city of Presidio.

(3) "County" means Presidio County.

(4) "Director" means a board member.

(5) "District" means the Presidio International Port Authority District.

(6) "School district" means Presidio Independent School District.

Sec. 3797.0102. NATURE OF DISTRICT. The Presidio International Port Authority District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3797.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI,

1 Texas Constitution, and other public purposes stated in this
2 chapter.

3 (b) By creating the district and in authorizing the county,
4 the city, the school district, and other political subdivisions to
5 contract with the district, the legislature has established a
6 program to accomplish the public purposes set out in Section 52-a,
7 Article III, Texas Constitution.

8 (c) The creation of the district is necessary to promote,
9 develop, encourage, and maintain employment, commerce,
10 transportation, housing, tourism, recreation, the arts,
11 entertainment, economic development, safety, and the public
12 welfare in the district.

13 (d) The district is created to serve the interests of the
14 residents of the district and the general public by improving the
15 Presidio port of entry and encouraging international trade.

16 (e) This chapter and the creation of the district may not be
17 interpreted to relieve the county or the city from providing the
18 level of services provided as of the effective date of the Act
19 enacting this chapter to the area in the district. The district is
20 created to supplement and not to supplant county or city services
21 provided in the district.

22 Sec. 3797.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

23 (a) All land and other property included in the district will
24 benefit from the improvements and services to be provided by the
25 district under powers conferred by Sections 52 and 52-a, Article
26 III, and Section 59, Article XVI, Texas Constitution, and other
27 powers granted under this chapter.

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

3 (c) The creation of the district is in the public interest
4 and is essential to further the public purposes of:

5 (1) developing and diversifying the economy of the
6 state;

7 (2) eliminating unemployment and underemployment;

8 (3) developing or expanding transportation and
9 commerce; and

10 (4) developing and expanding international trade.

11 (d) The district will:

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

15 (2) provide needed funding for the district to
16 preserve, maintain, and enhance the economic health and vitality of
17 the district territory as a community and business center,
18 including by developing, constructing, owning, operating, and
19 improving industrial parks;

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

24 (4) provide for water, wastewater, drainage, rail, and
25 road facilities for the district; and

26 (5) provide for international border facilities,
27 industrial parks, air transportation facilities, intermodal

1 facilities, and foreign trade zones in the district.

2 (e) The district will not act as the agent or
3 instrumentality of any private interest even though the district
4 will benefit many private interests as well as the public.

5 Sec. 3797.0105. INITIAL DISTRICT TERRITORY. The district
6 is initially composed of the territory in Presidio County.

7 Sec. 3797.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.
8 All or any part of the area of the district is eligible to be
9 included in:

10 (1) a tax increment reinvestment zone created under
11 Chapter 311, Tax Code;

12 (2) a tax abatement reinvestment zone created under
13 Chapter 312, Tax Code; or

14 (3) a foreign trade zone.

15 Sec. 3797.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT
16 DISTRICTS LAW. Except as otherwise provided by this chapter,
17 Chapter 375, Local Government Code, applies to the district.

18 Sec. 3797.0108. CONSTRUCTION OF CHAPTER. This chapter
19 shall be liberally construed in conformity with the findings and
20 purposes stated in this chapter.

21 SUBCHAPTER B. BOARD OF DIRECTORS

22 Sec. 3797.0201. GOVERNING BODY; TERMS. The district is
23 governed by a board of seven voting directors who serve staggered
24 terms of four years with three or four directors' terms expiring
25 June 1 of each odd-numbered year.

26 Sec. 3797.0202. QUALIFICATIONS AND APPOINTMENT OF VOTING
27 DIRECTORS. (a) Section 375.063, Local Government Code, does not

1 apply to the district.

2 (b) To be qualified to serve as a director, a person must be
3 at least 18 years of age.

4 (c) From persons recommended by the board in the manner
5 provided by Section 375.064, Local Government Code, the governing
6 body of the county shall appoint three directors and the governing
7 body of the city shall appoint two directors. Each of the appointed
8 directors must be:

9 (1) an owner of property in the district;

10 (2) an owner of a beneficial interest in a trust, or a
11 trustee in a trust, that directly or indirectly owns property in the
12 district;

13 (3) an agent, employee, or tenant of a person
14 described by Subdivision (1) or (2); or

15 (4) a person involved in international trade
16 activities in the district.

17 (d) In addition to the directors appointed under Subsection
18 (c), notwithstanding the common law doctrine of incompatibility,
19 the mayor of the city and the county judge of the county serve as
20 directors of the district, except as provided by Subsection (e).
21 Notwithstanding Section 3797.0201, the term of a director who is
22 also the mayor of the city or the county judge of the county expires
23 when the member's term as mayor or county judge, as applicable,
24 expires.

25 (e) The mayor of the city or the county judge of the county
26 may decline to serve as a director. If the mayor of the city
27 declines to serve, the governing body of the city shall appoint an

1 alternate director in the manner provided by Subsection (c). If the
2 county judge of the county declines to serve, the county shall
3 appoint an alternate director in the manner provided by Subsection
4 (c).

5 (f) A director described by Subsection (d) may not
6 participate in a discussion of or vote on a matter regarding a
7 contract with the political subdivision for which the person serves
8 as an officer.

9 Sec. 3797.0203. NONVOTING DIRECTORS. The board may appoint
10 representatives of taxing entities in the district to serve as
11 nonvoting directors.

12 Sec. 3797.0204. INITIAL DIRECTORS. (a) The initial board
13 consists of the following directors:

| <u>Pos. No.</u> | <u>Name of Director</u> |
|-----------------|-----------------------------|
| <u>1</u> | <u>John Ferguson</u> |
| <u>2</u> | <u>Tom Davis</u> |
| <u>3</u> | <u>Scott Beasley</u> |
| <u>4</u> | <u>Cesar Baeza</u> |
| <u>5</u> | <u>Joe Portillo</u> |
| <u>6</u> | <u>Isela Nunez</u> |
| <u>7</u> | <u>Sergio Mendoza Vidal</u> |

22 (b) Of the initial directors, the terms of directors
23 appointed for positions one through four expire June 1, 2025, and
24 the terms of directors appointed for positions five through seven
25 expire June 1, 2027.

26 (c) Section 3797.0202 does not apply to initial directors
27 appointed by this section.

1 (d) This section expires September 1, 2027.

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 3797.0301. GENERAL POWERS AND DUTIES. (a) The
4 district has the powers and duties necessary to accomplish the
5 purposes for which the district is created.

6 (b) Section 375.092(e), Local Government Code, applies to
7 real property located inside or outside the district.

8 Sec. 3797.0302. IMPROVEMENT PROJECTS AND SERVICES. (a)
9 The district, using any money available to the district for the
10 purpose, may provide, design, construct, acquire, improve,
11 relocate, operate, maintain, or finance an improvement project or
12 service authorized under this chapter or Chapter 375, Local
13 Government Code.

14 (b) The district may contract with a governmental or private
15 entity to carry out an action under Subsection (a).

16 (c) The implementation of a district project or service is a
17 governmental function or service for the purposes of Chapter 791,
18 Government Code.

19 (d) The county, the school district, the Big Bend Regional
20 Hospital District, and any other local government or political
21 subdivision may contract with the district to provide for
22 financing, construction, maintenance, and operation of public
23 infrastructure or to carry out a district purpose.

24 (e) The district may not undertake a project on land owned
25 by the city unless the city consents to the project.

26 Sec. 3797.0303. NONPROFIT CORPORATION. (a) The board by
27 resolution may authorize the creation of a nonprofit corporation to

1 assist and act for the district in implementing a project or
2 providing a service authorized by this chapter.

3 (b) The nonprofit corporation:

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

7 (2) may implement any project and provide any service
8 authorized by this chapter.

9 (c) The board shall appoint the board of directors of the
10 nonprofit corporation. The board of directors of the nonprofit
11 corporation shall serve in the same manner as the board of directors
12 of a local government corporation created under Subchapter D,
13 Chapter 431, Transportation Code, except that a board member is not
14 required to reside in the district.

15 Sec. 3797.0304. AUTHORITY TO CONTRACT FOR PUBLIC SAFETY
16 SERVICES. To protect the public interest, the district may
17 contract with a qualified party, including a municipality, the
18 county, or any other governmental entity to provide law
19 enforcement, public safety, fire protection, ambulance, emergency,
20 or code enforcement services in the district for a fee.

21 Sec. 3797.0305. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.
22 The district may join and pay dues to a charitable or nonprofit
23 organization that performs a service or provides an activity
24 consistent with the furtherance of a district purpose.

25 Sec. 3797.0306. ECONOMIC DEVELOPMENT PROGRAMS. (a) The
26 district may engage in activities that accomplish the economic
27 development purposes of the district.

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

5 (1) make loans and grants of public money; and

6 (2) provide district personnel and services.

7 (c) The district may create economic development programs
8 and exercise the economic development powers provided to
9 municipalities by:

10 (1) Chapter 380, Local Government Code; and

11 (2) Subchapter A, Chapter 1509, Government Code.

12 Sec. 3797.0307. PARKING FACILITIES. (a) The district may
13 acquire, lease as lessor or lessee, construct, develop, own,
14 operate, and maintain parking facilities or a system of parking
15 facilities, including lots, garages, parking terminals, or other
16 structures or accommodations for parking motor vehicles off the
17 streets and related appurtenances.

18 (b) The district's parking facilities serve the public
19 purposes of the district and are owned, used, and held for a public
20 purpose even if leased or operated by a private entity for a term of
21 years.

22 (c) The district's parking facilities are parts of and
23 necessary components of a street and are considered to be a street
24 or road improvement.

25 (d) The development and operation of the district's parking
26 facilities may be considered an economic development program.

27 Sec. 3797.0308. INTERNATIONAL BORDER FACILITIES. (a) The

1 district may operate and maintain a port of entry in the district.

2 (b) The district may acquire, lease as lessor or lessee,
3 construct, develop, own, operate, and maintain bridge facilities, a
4 system of international border crossing points, or other structures
5 or accommodations facilitating international trade and related
6 appurtenances.

7 (c) The facilities described by this section serve the
8 public purposes of the district and are owned, used, and held for a
9 public purpose even if leased or operated by a private entity for a
10 term of years.

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

14 (e) The development and operation of the facilities
15 described by this section may be considered an economic development
16 program.

17 Sec. 3797.0309. RAIL FACILITIES. (a) The district may
18 acquire, lease as lessor or lessee, construct, develop, own,
19 operate, and maintain rail facilities, and related appurtenances,
20 to facilitate international trade.

21 (b) The district's rail facilities serve the public
22 purposes of the district and are owned, used, and held for a public
23 purpose even if leased or operated by a private entity for a term of
24 years.

25 (c) The development and operation of the district's rail
26 facilities may be considered an economic development program.

27 Sec. 3797.0310. TRANSPORTATION FACILITIES. (a) The

1 district may acquire, lease as lessor or lessee, construct,
2 develop, own, operate, and maintain facilities related to air
3 transportation and intermodal facilities.

4 (b) The district's air transportation and intermodal
5 facilities serve the public purposes of the district and are owned,
6 used, and held for a public purpose even if leased or operated by a
7 private entity for a term of years.

8 (c) The development and operation of the district's air
9 transportation and intermodal facilities may be considered an
10 economic development program.

11 Sec. 3797.0311. REGIONAL MOBILITY AUTHORITY POWERS. The
12 district may exercise the transportation project powers of a
13 regional mobility authority under Chapter 370, Transportation
14 Code, for a transportation project, as defined by Section 370.003,
15 Transportation Code.

16 Sec. 3797.0312. FEES. The district may establish and
17 maintain reasonable and nondiscriminatory rates, fares, charges,
18 rents, or other fees or compensation for the use of facilities
19 constructed, operated, or maintained by the district.

20 Sec. 3797.0313. FOREIGN TRADE ZONE. (a) In this section,
21 "foreign trade zone" has the meaning assigned by Section 681.001,
22 Business & Commerce Code.

23 (b) The district may apply for, accept a grant of authority
24 to, and establish, operate, and maintain a foreign trade zone,
25 including the selection and description of the foreign trade zone
26 and subzones.

27 (c) An authorization under this section is subject to the

1 requirements of federal law and regulations established to carry
2 out the provisions of the Foreign Trade Zones Act (19 U.S.C. Section
3 81a et seq.).

4 Sec. 3797.0314. ADDING OR EXCLUDING LAND. The district may
5 add or exclude land in the manner provided by Subchapter J, Chapter
6 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

7 Sec. 3797.0315. DISBURSEMENTS AND TRANSFERS OF MONEY. The
8 board by resolution shall establish the number of directors'
9 signatures and the procedure required for a disbursement or
10 transfer of district money.

11 Sec. 3797.0316. RESIDENTIAL PROPERTY NOT EXEMPT. Section
12 375.161, Local Government Code, does not apply to the district.

13 Sec. 3797.0317. NO EMINENT DOMAIN POWER. The district may
14 not exercise the power of eminent domain.

15 SUBCHAPTER D. ASSESSMENTS

16 Sec. 3797.0401. PETITION REQUIRED FOR FINANCING SERVICES
17 AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
18 service or improvement project with assessments under this chapter
19 unless a written petition requesting that service or improvement
20 has been filed with the board.

21 (b) A petition filed under Subsection (a) must be signed by
22 the owners of a majority of the assessed value of real property in
23 the district subject to assessment according to the most recent
24 certified tax appraisal roll for the county.

25 Sec. 3797.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
26 The board by resolution may impose and collect an assessment for any
27 purpose authorized by this chapter in all or any part of the

1 district.

2 (b) An assessment, a reassessment, or an assessment
3 resulting from an addition to or correction of the assessment roll
4 by the district, penalties and interest on an assessment or
5 reassessment, an expense of collection, and reasonable attorney's
6 fees incurred by the district:

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

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

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

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

19 (d) The board may make a correction to or deletion from the
20 assessment roll that does not increase the amount of assessment of
21 any parcel of land without providing notice and holding a hearing in
22 the manner required for additional assessments.

23 SUBCHAPTER E. TAXES AND BONDS

24 Sec. 3797.0501. TAX ELECTION REQUIRED. The district must
25 hold an election in the manner provided by Chapter 49, Water Code,
26 or, if applicable, Chapter 375, Local Government Code, to obtain
27 voter approval before the district may impose an ad valorem tax.

1 Sec. 3797.0502. OPERATION AND MAINTENANCE TAX. (a) If
2 authorized by a majority of the district voters voting at an
3 election under Section 3797.0501, the district may impose an
4 operation and maintenance tax on taxable property in the district
5 in the manner provided by Section 49.107, Water Code, for any
6 district purpose, including to:

7 (1) maintain and operate the district;

8 (2) construct or acquire improvements; or

9 (3) provide a service.

10 (b) The board shall determine the operation and maintenance
11 tax rate. The rate may not exceed the rate approved at the
12 election.

13 Sec. 3797.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE
14 BONDS. (a) The district may borrow money on terms determined by
15 the board.

16 (b) The district may issue bonds, notes, or other
17 obligations payable wholly or partly from ad valorem taxes,
18 assessments, impact fees, revenue, contract payments, grants, or
19 other district money, or any combination of those sources of money,
20 to pay for any authorized district purpose.

21 Sec. 3797.0504. BONDS SECURED BY REVENUE OR CONTRACT
22 PAYMENTS. The district may issue, without an election, bonds
23 secured by:

24 (1) revenue other than ad valorem taxes, including
25 contract revenues; or

26 (2) contract payments, provided that the requirements
27 of Section 49.108, Water Code, have been met.

1 Sec. 3797.0505. BONDS SECURED BY AD VALOREM TAXES;
2 ELECTIONS. (a) If authorized at an election under Section
3 3797.0501, the district may issue bonds payable from ad valorem
4 taxes.

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

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

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

17 Sec. 3797.0506. CONSENT OF CITY REQUIRED. (a) The board
18 may not issue bonds until the city has consented by ordinance or
19 resolution to the creation of the district and to the inclusion of
20 municipal territory in the district.

21 (b) This section applies only to the district's first
22 issuance of bonds payable from ad valorem taxes.

23 SUBCHAPTER F. DEFINED AREAS

24 Sec. 3797.0601. AUTHORITY TO ESTABLISH DEFINED AREAS OR
25 DESIGNATED PROPERTY. The district may define areas or designate
26 certain property of the district to pay for improvements,
27 facilities, or services that primarily benefit that area or

1 property and do not generally and directly benefit the district as a
2 whole.

3 Sec. 3797.0602. PROCEDURE FOR ELECTION. (a) Before the
4 district may impose an ad valorem tax applicable only to the defined
5 area or designated property or issue bonds payable from ad valorem
6 taxes of the defined area or designated property, the board shall
7 hold an election in the defined area or designated property only.

8 (b) The board may submit the proposition to the voters on
9 the same ballot to be used in another election.

10 Sec. 3797.0603. DECLARING RESULT AND ISSUING ORDER. (a) If
11 a majority of the voters voting at an election held under Section
12 3797.0602 approve the proposition or propositions, the board shall
13 declare the results and, by order, shall establish the defined area
14 or designated property and describe it by metes and bounds or
15 designate the specific area or property.

16 (b) A court may not review the board's order except on the
17 ground of fraud, palpable error, or arbitrary and confiscatory
18 abuse of discretion.

19 Sec. 3797.0604. TAXES FOR SERVICES, IMPROVEMENTS, AND
20 FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter
21 approval and adoption of an order described by Section 3797.0603,
22 the district may apply separately, differently, equitably, and
23 specifically its taxing power and lien authority to the defined
24 area or designated property to provide money to construct,
25 administer, maintain, and operate services, improvements, and
26 facilities that primarily benefit the defined area or designated
27 property.

1 Sec. 3797.0605. ISSUANCE OF BONDS FOR DEFINED AREA OR
2 DESIGNATED PROPERTY. After an order under Section 3797.0603 is
3 adopted, the district may issue bonds to provide for any land,
4 improvements, facilities, plants, equipment, and appliances for
5 the defined area or designated property.

6 SUBCHAPTER I. DISSOLUTION

7 Sec. 3797.0901. DISSOLUTION. (a) The board shall dissolve
8 the district on written petition filed with the board by the owners
9 of:

10 (1) 66 percent or more of the assessed value of the
11 property subject to assessment by the district based on the most
12 recent certified county property tax rolls; or

13 (2) 66 percent or more of the surface area of the
14 district, excluding roads, streets, highways, utility
15 rights-of-way, other public areas, and other property exempt from
16 assessment by the district according to the most recent certified
17 county property tax rolls.

18 (b) The board by majority vote may dissolve the district at
19 any time.

20 (c) The district may not be dissolved by its board under
21 Subsection (a) or (b) if the district:

22 (1) has any outstanding bonded indebtedness until that
23 bonded indebtedness has been repaid or defeased in accordance with
24 the order or resolution authorizing the issuance of the bonds;

25 (2) has a contractual obligation to pay money until
26 that obligation has been fully paid in accordance with the
27 contract; or

1 (3) owns, operates, or maintains public works,
2 facilities, or improvements unless the district contracts with
3 another person for the ownership, operation, or maintenance of the
4 public works, facilities, or improvements.

5 (d) Sections 375.261, 375.262, and 375.264, Local
6 Government Code, do not apply to the district.

7 SECTION 2. (a) The legal notice of the intention to
8 introduce this Act, setting forth the general substance of this
9 Act, has been published as provided by law, and the notice and a
10 copy of this Act have been furnished to all persons, agencies,
11 officials, or entities to which they are required to be furnished
12 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
13 Government Code.

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

17 (c) The Texas Commission on Environmental Quality has filed
18 its recommendations relating to this Act with the governor,
19 lieutenant governor, and speaker of the house of representatives
20 within the required time.

21 (d) All requirements of the constitution and laws of this
22 state and the rules and procedures of the legislature with respect
23 to the notice, introduction, and passage of this Act have been
24 fulfilled and accomplished.

25 SECTION 3. This Act takes effect September 1, 2023.