

By: Eiland

H.B. No. 3503

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to road utility district and navigation district powers of  
3 Galveston County Municipal Utility District No. 52, including the  
4 authority to impose taxes and issue bonds.

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

6 SECTION 1. DEFINITIONS. In this Act:

7 (1) "Board" means the board of directors of the  
8 Galveston County Municipal Utility District No. 52.

9 (2) "Commission" means the Texas Commission on  
10 Environmental Quality.

11 (3) "District" means Galveston County Municipal  
12 Utility District No. 52.

13 SECTION 2. FINDING OF BENEFIT AND PUBLIC PURPOSE. (a) The  
14 legislature finds that all of the land and other property included  
15 within the boundaries of the district will be benefited by the works  
16 and projects that are to be accomplished by the district under the  
17 powers conferred by Section 52, Article III, and Section 59,  
18 Article XVI, Texas Constitution, and that the district is created  
19 to serve a public use and benefit.

20 (b) The district exists for the following purposes:

21 (1) the purposes of a municipal utility district as  
22 provided pursuant to Section 54.012, Water Code;

23 (2) the purposes of road utility districts created  
24 pursuant to Section 52, Article III, Texas Constitution, and

1 operating pursuant to Chapter 441, Transportation Code, including  
2 the purpose of constructing, acquiring, improving, maintaining and  
3 operating roads and road facilities as defined in Chapter 441,  
4 Transportation Code; and

5 (3) the purposes of navigation districts created  
6 pursuant to Section 59, Article XVI, Texas Constitution, and  
7 operating pursuant to Chapters 60 and 62, Water Code.

8 SECTION 3. CONSTRUCTION OF ACT. This Act prevails over any  
9 provision of general law that is in conflict with or inconsistent  
10 with this Act, including any provision of Chapter 49 or 54, Water  
11 Code.

12 SECTION 4. APPLICABILITY OF OTHER LAW. (a) If any  
13 provision of general law relating to road utility districts is in  
14 conflict or inconsistent with this Act or Chapter 49 or 54, Water  
15 Code, this Act and Chapters 49 and 54, Water Code, prevail.

16 (b) This Act prevails over any provision of general law that  
17 is in conflict or inconsistent with this Act, including any  
18 provision of Chapter 49 or 54, Water Code.

19 SECTION 5. POWERS OF DISTRICT. The district retains all the  
20 rights, powers, privileges, authority, duties, and functions that  
21 it had before the effective date of this Act.

22 SECTION 6. SPECIFIC ROAD POWERS OF DISTRICT. (a) The  
23 district may purchase, construct, acquire, own, operate, maintain,  
24 improve or extend inside and outside its boundaries roads and road  
25 facilities as defined in Chapter 441, Transportation Code, as  
26 authorized by Section 52, Article III, of the Texas Constitution.

27 (b) In accordance with Article III, Section 52, of the Texas

1 Constitution, the district has the power and authority to issue  
2 bonds, notes, and other obligations or otherwise lend its credit  
3 and levy and collect taxes to pay the interest thereon and provide a  
4 sinking fund for the redemption thereof for the construction,  
5 purchase, maintenance and operation of roads and road facilities.  
6 The total amount of bonds issued for such purpose may not exceed  
7 one-fourth of the assessed market value of real property of the  
8 district as determined by the chief appraiser of the appraisal  
9 district that appraises property for the district.

10 (c) The roads and road facilities may include drainage,  
11 landscaping and pedestrian improvements and lights, signs, or  
12 signals that are incidental thereto and their construction,  
13 maintenance, or operation.

14 (d) The roads and road facilities authorized by this section  
15 must meet all applicable construction standards, zoning and  
16 subdivision requirements, and regulatory ordinances of the  
17 municipality or county in whose jurisdiction the road or road  
18 facility is located.

19 (e) On completion of a road or road facility authorized by  
20 this section, the district, with the consent of a municipality or  
21 county, may convey that road or road facility to the municipality or  
22 county, provided the conveyance is free of all indebtedness of the  
23 district. If a municipality or county becomes the owner of a road  
24 or road facility, the municipality or county is responsible for all  
25 future maintenance and upkeep, and the district has no further  
26 responsibility for the road or road facility or its maintenance or  
27 upkeep, unless otherwise agreed to by the district and the

1 municipality or county.

2 (f) The district may contract with a state agency, political  
3 subdivision, or corporation created under Chapter 431,  
4 Transportation Code, for a joint road or road facility. The  
5 district may issue bonds to pay all or part of the costs of the road  
6 or road facility and any other payments required pursuant to the  
7 contract. The contract may:

8 (1) provide for joint payment of the costs of the road  
9 or road facility; and

10 (2) require the state agency, political subdivision,  
11 or corporation to design, construct, or improve a road or road  
12 facility as provided by the contract.

13 (g) The district may agree to:

14 (1) reimburse a private person for money spent to  
15 construct a road or road facility that has been or will be dedicated  
16 or otherwise transferred to public use; or

17 (2) purchase a road or road facility constructed by a  
18 private person.

19 (h) The amount paid for the reimbursement or purchase of a  
20 road or road facility:

21 (1) may include all construction costs, including  
22 engineering, legal, financing, and other expenses incident to the  
23 construction; or

24 (2) may be at a price not to exceed the replacement  
25 cost of the road or road facilities as determined by the board; and

26 (3) may be paid with proceeds from the sale of the  
27 district's bonds or from any other money available to the district.

1           (i) The district may enter into an agreement to use the  
2 proceeds of a subsequent bond sale for reimbursing all construction  
3 costs, engineering and other expenses, and financing costs incident  
4 to construction or acquisition of a road or an interest in a road to  
5 a private person who constructs or acquires a road or road facility  
6 that benefits the district pursuant to the agreement. The  
7 agreement may provide the terms and conditions under which the road  
8 or road facility will be dedicated or transferred for the benefit of  
9 the public and to pay or reimburse the cost of constructing or  
10 acquiring the road.

11           SECTION 7. SPECIFIC NAVIGATION POWERS OF DISTRICT. The  
12 district may purchase, construct, acquire, own, operate, maintain,  
13 improve or extend inside and outside its boundaries canals,  
14 waterways, bulkheads, docks, and any other improvements or  
15 facilities necessary or convenient to accomplish the navigation  
16 purposes of the district authorized by Section 59, Article XVI, of  
17 the Texas Constitution.

18           SECTION 8. AUTHORITY OF COMMISSION OVER ISSUANCE OF  
19 DISTRICT BONDS. (a) Sections 49.181 and 49.182, Water Code, apply  
20 to all water, wastewater, drainage, and recreational facility  
21 projects of the district and bonds issued therefor.

22           (b) Section 49.181, Water Code, applies to all road and road  
23 facility projects and navigation projects and bonds issued  
24 therefore; however, the commission's review of such projects shall  
25 be limited to the financial feasibility of such projects and bonds  
26 and shall not include the review or approval of the design and  
27 construction of such projects or the engineering feasibility of

1 such projects, and the requirements of written applications for  
2 investigation of feasibility shall be adjusted accordingly.

3 (c) Section 49.182, Water Code, does not apply to road and  
4 road facility projects and navigation projects and bonds issued  
5 therefor.

6 (d) Projects and bonds of the district are not subject to  
7 the review and approval of the Texas Transportation Commission or  
8 the rules promulgated by the Texas Transportation Commission.

9 SECTION 9. ELECTIONS REGARDING TAXES OR BONDS FOR ROADS.  
10 The district may issue bonds, notes, and other obligations to  
11 finance roads and road facilities under Section 52(b)(3), Article  
12 III, of the Texas Constitution, secured in whole or in part by ad  
13 valorem taxation and impose ad valorem taxes to pay the principal of  
14 and interest on those obligations and provide a sinking fund for the  
15 redemption thereof only if the issuance is approved by a two-thirds  
16 majority of the voters of the district voting at an election called  
17 and held for that purpose.

18 SECTION 10. EMINENT DOMAIN. The district shall obtain the  
19 written consent of the city of Texas City, Texas, prior to  
20 exercising its power of eminent domain.

21 SECTION 11. ADDITIONAL LEGISLATIVE FINDINGS. The  
22 legislature finds that:

23 (1) proper and legal notice of the intention to  
24 introduce this Act, setting forth the general substance of this  
25 Act, has been published as provided by law, and the notice and a  
26 copy of this Act have been furnished to all persons, agencies,  
27 officials, or entities to which they are required to be furnished by

1 the constitution and laws of this state, including the governor,  
2 who has submitted the notice and Act to the commission;

3 (2) the commission has filed its recommendations  
4 relating to this Act with the governor, lieutenant governor, and  
5 speaker of the house of representatives within the required time;

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

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

14 SECTION 12. EFFECTIVE DATE. This Act takes effect  
15 immediately if it receives a vote of two-thirds of all the members  
16 elected to each house, as provided by Section 39, Article III, Texas  
17 Constitution. If this Act does not receive the vote necessary for  
18 immediate effect, this Act takes effect September 1, 2005.