By: Eiland H.B. No. 4735

Substitute the following for H.B. No. 4735:

By: Corte C.S.H.B. No. 4735

## A BILL TO BE ENTITLED

1 AN ACT

2 relating to the powers of the Coastal Water Authority; affecting

- 3 the authority to issue bonds.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 3A, Chapter 601, Acts of the 60th
- 6 Legislature, Regular Session, 1967, is amended to read as follows:
- 7 Sec. 3A. The Authority may develop and generate electric
- 8 energy by any means, including [for use by the Authority or the City
- 9 of Houston by] wind turbines and [or] hydroelectric facilities.
- 10 Any energy generated by the Authority must first be made available
- 11 to the Authority and to the City of Houston.
- SECTION 2. Section 3B(c), Chapter 601, Acts of the 60th
- 13 Legislature, Regular Session, 1967, is amended to read as follows:
- 14 (c) A corporation created under this section is governed in
- 15 the same manner as a local government corporation created by a
- 16 municipality or county, except that the board of the Authority
- 17 shall appoint the board of the corporation and Section 431.101(g),
- 18 Transportation Code, does not apply to a corporation created under
- 19 this section. The board of the corporation serves at the will of
- 20 the board of the Authority.
- SECTION 3. Chapter 601, Acts of the 60th Legislature,
- 22 Regular Session, 1967, is amended by adding Section 3E to read as
- 23 follows:
- Sec. 3E. The Authority may participate in a wetland

## 1 <u>mitigation program under Chapter 221, Natural Resources Code.</u>

- 2 SECTION 4. Section 4, Chapter 601, Acts of the 60th 3 Legislature, Regular Session, 1967, is amended by amending
- 4 Subsection (b) and adding Subsection (b-1) to read as follows:
- 5 The Authority shall have and is hereby authorized, subject to the provisions contained herein, to exercise the powers, 6 rights, privileges, and functions of establishing, acquiring, and 7 8 extending a park or park system and the Authority shall be authorized to improve and equip its park or park system in any 9 10 manner considered by its board to be appropriate including the construction, purchase, lease, and other acquisition of such park 11 facilities as shall be desirable in the full and adequate 12 development of the park or park system and once established and 13 14 improved the Authority shall be authorized from time to time to 15 improve, repair, extend, operate, and maintain such park or park system and the park facilities and other improvements situated 16 17 thereon and relating thereto. 'Park facilities,' as used herein, means any and all improvements to, or equipment to be placed in, a 18 19 park, which in the judgment of the board is or will be appropriate, necessary, or useful in the establishment and operation of a park or 20 park system and which will be used or useful by the public in its 21 enjoyment and use thereof, including without limitation, roads, 22 23 paths, ornaments, public utilities and all types and all lines, 24 systems, and facilities incident thereto, buildings of every type (including but not limited to those related to or useful in the 25 26 accommodation, lodging, housing, and feeding of the members of the public who may frequent the park) and amusement equipment and 27

1 facilities of all types. 'Park,' as used herein, means any area of land or interest therein which is now owned or may hereafter be 2 acquired by the Authority and which is adjacent to the main or 3 lateral canals of the Authority and which in the judgment of the 4 5 board is or will be appropriate, necessary or useful as and which is or will be dedicated, used, and devoted by the board to use by the 6 public as a playground or place of rest, resort, recreation, 7 8 exercise, sport, pleasure, amusement, or enjoyment, or any area of land or interest in an area of land to be used as open space or 9 wetlands or for reforestation or other uses that reduce, offset, or 10 capture greenhouse gases or other emissions, or provide mitigation 11 12 of other environmental impacts, provided that the use of the area of land or interest in the area of land is in connection with or useful 13 14 for an existing or planned Authority project or facility or other 15 authorized use [in connection with the beneficial use of the main or lateral canals to which it is adjacent]. 'Park system,' as used 16 17 herein, means more than one park whether or not contiguous.

The Authority shall be authorized to acquire property of any kind, or any interest therein, necessary or convenient to the exercise of the powers, rights, privileges, and functions conferred pursuant to this Section 4(b); provided, however, that the authority shall not acquire such parks and/or park system by the exercise of eminent domain.

Each park and park system acquired or established under the provisions hereof shall be under and subject to the control and management of the board, and the board shall have the continuous general power to manage and operate the affairs of the same as it

may consider appropriate, including without limitation the power to employ such personnel for management or policing purposes, or otherwise, to enter into such contracts and agreements extending over such periods of time, to provide for the sale, rental, or use of such products in the park or park system as shall be considered necessary to the full, complete, proper, and efficient development, administration, and operation of the park or park system.

8 The Authority shall have the express general power and authority to make, grant, accept, and enter into all leases, and all 9 10 concession, rental, operating, or other contracts and agreements covering or relating to any part or all of the land comprising any 11 12 park, park system, or park facilities, which the board shall deem 13 necessary or convenient to carry out any of the purposes and powers 14 granted hereby, upon such terms and conditions and for such length 15 or period of time as may be prescribed herein. Any such contract, lease, or agreement may be entered into with any person, real or 16 17 artificial, any corporation, municipal or private, including the United States 18 governmental agency or bureau, 19 government and the State of Texas, agencies and political 20 subdivisions thereof, and the board may make contracts, leases, and agreements with any such persons, corporation, or entities for the 21 acquisition, financing, construction, or operation of any park, 22 23 park system, or park facilities or other improvements in or 24 connected with or incident to any park or park system.

Any and all such contracts, leases, and agreements, to be effective, shall be authorized by order or resolution of the board, shall be executed by its president and attested by its secretary, or

- 1 it may be executed by such other person or persons as the board may
- 2 direct, and the same shall be binding upon the Authority without
- 3 reference to any other statute or statutes.
- 4 The board shall be expressly authorized to adopt and enforce
- 5 such rules and regulations relating to the use, operation,
- 6 management, administration, and policing of its park or park system
- 7 and related waters controlled by it as it may consider appropriate,
- 8 including, without limitation, the zoning or dividing of each park
- 9 or park system into such zones or divisions as it may consider
- 10 appropriate and in the interest of such park or park system as a
- 11 whole, and it may restrict and prescribe the activities that may be
- 12 conducted in each such zone or division.
- The board shall be authorized to fix, impose, and collect
- 14 such fees, tolls, rents, rates, and charges for entry to, or use of,
- 15 the park or park system and park facilities controlled by it as it
- 16 may deem necessary, with other sources of funds available to it, to
- 17 support the acquisition, maintenance, upkeep, repair, improvement,
- 18 and operation of such park or park system.
- 19 The board is hereby authorized to accept grants, gratuities,
- 20 advances, and loans in any form from any source approved by the
- 21 board including the United States Government or any agency thereof,
- 22 the State of Texas or any agency thereof, any private or public
- 23 corporation, and any other person, for the purpose of promoting,
- 24 establishing, and accomplishing the objectives and purposes and
- 25 powers herein set forth, and to make and enter into such
- 26 concessions, agreements, and covenants as the board considers
- 27 appropriate in connection therewith.

- 1 (b-1) The Authority may exercise any of its existing powers, including its parks powers, to carry out a project or activity that 2 reduces, offsets, or captures and sequesters greenhouse gases or 3 other emissions as provided by law. The Authority may contract with 4 a private or public entity to sell or trade credits, offsets, tax 5 credits, or other similar marketable instruments authorized by law 6 and available to the Authority attributable to any such project or 7 8 activity. The Authority may pledge any stream of revenue from any such transaction to the issuance of bonds or notes to fund any 9 authorized purpose of the Authority. The Authority may contract 10 with any other governmental entity to issue bonds or notes secured 11 12 by a stream of revenue from the entity attributable to any such project or activity. The proceeds of the bonds may be used to fund 13 any authorized purpose of the Authority or any joint project with 14 15 the participating governmental entity.
- SECTION 5. (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.
- 26 (c) The Texas Commission on Environmental Quality has filed 27 its recommendations relating to this Act with the governor, the

- 1 lieutenant governor, and the speaker of the house of
- 2 representatives within the required time.
- 3 (d) All requirements of the constitution and laws of this
- 4 state and the rules and procedures of the legislature with respect
- 5 to the notice, introduction, and passage of this Act are fulfilled
- 6 and accomplished.
- 7 SECTION 6. This Act takes effect immediately if it receives
- 8 a vote of two-thirds of all the members elected to each house, as
- 9 provided by Section 39, Article III, Texas Constitution. If this
- 10 Act does not receive the vote necessary for immediate effect, this
- 11 Act takes effect September 1, 2009.