

By: Isaac

H.B. No. 3832

Substitute the following for H.B. No. 3832:

By: Smith of Harris

C.S.H.B. No. 3832

A BILL TO BE ENTITLED

AN ACT

relating to the Hays County Development District No. 1.

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

SECTION 1. Section 1, Chapter 1503, Acts of the 77th Legislature, Regular Session, 2001, is amended by amending Subsections (a) and (c) and adding Subsection (d) to read as follows:

(a) The legislature finds that the creation of Hays County Development District No. 1 (the "district"), ~~and~~ the project approved by the Hays County Commissioners Court on January 11, 2000 (the "project"), and other improvement projects described by Section 5A will serve the public purpose of attracting visitors and tourists to Hays County and will result in employment and economic activity in the manner contemplated by Section 52-a, Article III, Texas Constitution, and Chapter 383, Local Government Code.

(c) The legislature further finds that the creation and operation of the district and the acquisition or financing of the project or an improvement project described by Section 5A by the district serve the purpose of Section 59, Article XVI, and Section 52, Article III, Texas Constitution, and that all steps necessary to create the district have been taken.

(d) The legislature further finds that the creation and continued operation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59,

1 Article XVI, Texas Constitution, and other public purposes stated  
2 in this Act.

3 SECTION 2. Section 5, Chapter 1503, Acts of the 77th  
4 Legislature, Regular Session, 2001, is amended to read as follows:

5 Sec. 5. POWERS. (a) The district has all of the rights,  
6 powers, privileges, authority, functions, and duties provided by  
7 Chapters 375 and 383, Local Government Code, to county development  
8 districts and municipal management districts and by Chapters 49 and  
9 54, Water Code, to municipal utility districts.

10 (b) The district's rights, powers, privileges, authority,  
11 functions, and duties include, [~~including~~] but are not limited to:

12 (1) the authority to levy, assess, and collect ad  
13 valorem taxes for the purposes approved at the elections conducted  
14 on November 7, 2000;

15 (2) the authority, after approval by voters at an  
16 election conducted within the boundaries of the district, to levy,  
17 assess and collect taxes for maintenance and operating purposes in  
18 the manner set forth in Sections 49.107(a)-(e), Water Code, and for  
19 the repayment of bonds, notes, warrants, lease purchase agreements,  
20 certificates of assessment, certificates of participation in lease  
21 purchase agreements, and other interest-bearing obligations in the  
22 manner set forth in Sections 49.106(a)-(d), Water Code, and for all  
23 of the purposes for which the district may expend funds;

24 (3) to establish, levy, and collect special  
25 assessments in the manner specified in Sections 375.111-375.124,  
26 Local Government Code; provided, however, that Sections  
27 375.161-375.163, Local Government Code, shall not apply to the

1 assessments imposed by the district;

2 (4) to utilize funds, whether the funds are derived  
3 from ad valorem taxes, sales and use taxes, hotel occupancy taxes,  
4 assessments, revenues from the project, or any other source, for  
5 payment of projects or services in the manner authorized by  
6 Section 375.181, Local Government Code, Chapter 54, Water Code, and  
7 Chapter 383, Local Government Code;

8 (5) to enter into obligations, including, but not  
9 limited to, lease purchase agreements, certificates of  
10 participation in lease purchase agreements, general obligation  
11 bonds and notes and revenue bonds and notes, and combination  
12 general obligation and revenue bonds and notes and other  
13 interest-bearing obligations, in the manner specified in Sections  
14 375.201-375.205 [~~375.201-375.204~~], Local Government Code. To  
15 enter into these obligations, the district shall obtain only those  
16 approvals required for the issuance of obligations by Hays County  
17 by Chapter 53, Acts of the 70th Legislature, Second Called Session,  
18 1987, and the approval of the attorney general;

19 (6) except as provided by Sections 5B and 5C, to adopt  
20 the powers of a road district under Section 52(b)(3), Article III,  
21 Texas Constitution, in the manner specified in Sections 53.029(c)  
22 and (d), Water Code;

23 (7) to levy, assess, and collect ad valorem taxes to  
24 make payments on a contract under Sections 49.108(a)-(d), Water  
25 Code, after obtaining those approvals specified in Section 1,  
26 Chapter 778, Acts of the 74th Legislature, Regular Session, 1995;

27 (8) to exercise all of the rights, powers, and

1 authority of a road district, a municipal management district, and  
2 a municipal utility district [~~water control and improvement~~  
3 ~~district which are not specifically contradicted by Chapter 383,~~  
4 ~~Local Government Code~~]; and

5 (9) to exercise all of the rights, powers, and  
6 authority granted to the district by this Act, and all of the  
7 rights, powers, and authority granted to the district by Chapters  
8 383 and 375, Local Government Code, and to a municipal utility  
9 district by Chapters 49 and 54, Water Code, which are not contrary  
10 to [~~any provisions of~~] this Act, to finance, construct, or  
11 otherwise acquire an improvement project described by Section 5A or  
12 the project or any element of the project identified in the  
13 Commissioners Court Order Upon Hearing and Granting Petition  
14 Requesting the Creation of Hays County Development District No. 1  
15 and Appointing Temporary Directors dated January 11, 2000,  
16 including, but not limited to, a [~~the~~] hotel, a residential area of  
17 a development, a trail or related feature, a commercial activity or  
18 endeavor, a [~~the~~] golf course, [~~the~~] water, sewer, drainage, and  
19 road improvements, [~~the~~] organizational costs, and [~~the~~] costs of  
20 issuance of the obligations of the district.

21 SECTION 3. Chapter 1503, Acts of the 77th Legislature,  
22 Regular Session, 2001, is amended by adding Sections 5A, 5B, 5C, 5D,  
23 and 5E to read as follows:

24 Sec. 5A. IMPROVEMENT PROJECTS. The district may provide,  
25 or it may contract with a governmental or private entity to provide,  
26 the following types of improvement projects or activities in  
27 support of or incidental to those projects:

1           (1) the project approved by the Hays County  
2 Commissioners Court on January 11, 2000, wholly or partly; or

3           (2) a public improvement, facility, or service  
4 provided by a municipal utility district or municipal management  
5 district.

6           Sec. 5B. ROAD DISTRICT POWERS; BALLOT. If the district  
7 adopts the powers described by Section 5(b)(6), a ballot authorized  
8 by Section 53.029(c), Water Code, must reference the "Hays County  
9 Development District No. 1."

10           Sec. 5C. ROAD STANDARDS AND REQUIREMENTS. (a) A road  
11 project must meet all applicable construction standards, zoning and  
12 subdivision requirements, and regulations of each municipality in  
13 whose corporate limits or extraterritorial jurisdiction the road  
14 project is located.

15           (b) If a road project is not located in the corporate limits  
16 or extraterritorial jurisdiction of a municipality, the road  
17 project must meet all applicable construction standards,  
18 subdivision requirements, and regulations of each county in which  
19 the road project is located.

20           (c) If the state will maintain and operate the road, the  
21 Texas Transportation Commission must approve the plans and  
22 specifications of the road project.

23           Sec. 5D. LIMIT ON POWERS GRANTED BY OTHER SPECIAL DISTRICT  
24 LAWS. Except as provided by this Act, the rights, powers, and  
25 authority of a road district, county development district,  
26 municipal management district, or municipal utility district  
27 granted by this Act may be exercised only in the manner provided by:

1           (1) Chapter 375, Local Government Code, to a municipal  
2 management district;

3           (2) Chapter 383, Local Government Code, to a county  
4 development district; and

5           (3) Chapters 49 and 54, Water Code, to a municipal  
6 utility district, including review and approval by the Texas  
7 Commission on Environmental Quality for water and wastewater  
8 improvements.

9           Sec. 5E. LIMIT ON EMINENT DOMAIN POWER. The district may  
10 not exercise the power of eminent domain outside the district and in  
11 the corporate limits or extraterritorial jurisdiction of a  
12 municipality unless the governing body of the municipality consents  
13 by ordinance or resolution.

14           SECTION 4. Section 8, Chapter 1503, Acts of the 77th  
15 Legislature, Regular Session, 2001, is amended to read as follows:

16           Sec. 8. LEGISLATIVE FINDINGS. [~~The legislature finds that~~  
17 ~~the principal function of the district is to provide for~~  
18 ~~development and operation of the project, to facilitate economic~~  
19 ~~development, and to attract visitors and tourists, which will~~  
20 ~~result in employment and economic activity in Hays County.] The  
21 legislature finds that the district may provide water and sewer,  
22 landscaping, road, drainage, and reclamation services to  
23 residential retail or commercial customers in the district. Except  
24 for purposes of Section 49.052, Water Code, the [~~The~~] district is a  
25 district described in Section 49.181(h)(4), Water Code.~~

26           SECTION 5. Section 9, Chapter 1503, Acts of the 77th  
27 Legislature, Regular Session, 2001, is amended to read as follows:

1           Sec. 9. ADDITION AND EXCLUSION OF LANDS. (a) Except as  
2 provided by Subsection (b), in [~~In~~] addition to the authority  
3 granted to the district by Section 383.084, Local Government Code,  
4 the district may add lands in the manner provided by Section 49.301,  
5 Water Code, and may exclude lands in the methods provided by  
6 Sections 49.303 through 49.308, Water Code.

7           (b) Section 42.0425, Local Government Code, applies to the  
8 annexation of property in the extraterritorial jurisdiction of a  
9 municipality.

10           SECTION 6. The legislature confirms and validates all  
11 actions of the Hays County Development District No. 1 that were  
12 taken before May 1, 2011, including any elections conducted by the  
13 district, including any election to impose maintenance and  
14 operation taxes or to adopt the powers of a road district.

15           SECTION 7. (a) The legal notice of the intention to  
16 introduce this Act, setting forth the general substance of this  
17 Act, has been published as provided by law, and the notice and a  
18 copy of this Act have been furnished to all persons, agencies,  
19 officials, or entities to which they are required to be furnished  
20 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
21 Government Code.

22           (b) The Texas Commission on Environmental Quality has filed  
23 its recommendations relating to this Act with the governor, the  
24 lieutenant governor, and the speaker of the house of  
25 representatives within the required time.

26           (c) All requirements of the constitution and laws of this  
27 state and the rules and procedures of the legislature with respect

1 to the notice, introduction, and passage of this Act are fulfilled  
2 and accomplished.

3           SECTION 8. This Act takes effect immediately if it receives  
4 a vote of two-thirds of all the members elected to each house, as  
5 provided by Section 39, Article III, Texas Constitution. If this  
6 Act does not receive the vote necessary for immediate effect, this  
7 Act takes effect September 1, 2011.