

By: Isaac

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 works, projects, improvements, and services that are to be promoted, facilitated, and accomplished by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this Act will provide a substantial and continuing public use and benefit ~~[and the acquisition or financing of the project by the district serve the purpose of Section 59, Article XVI, and Section 52, Article III, Texas Constitution, and~~

1 ~~that all steps necessary to create the district have been taken]~~.

2 (d) The legislature further finds that the creation and  
3 continued operation of the district is essential to accomplish the  
4 purposes of Sections 52 and 52-a, Article III, and Section 59,  
5 Article XVI, Texas Constitution, and other public purposes stated  
6 in this Act.

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

9 Sec. 5. POWERS. (a) The district has all of the rights,  
10 powers, privileges, authority, functions, and duties provided by  
11 Chapters 375 and 383, Local Government Code, to county development  
12 districts and municipal management districts and the general laws  
13 relating to conservation and reclamation districts created under  
14 Section 59, Article XVI, Texas Constitution, including Chapters 49  
15 and 54, Water Code.

16 (b) The rights, powers, privileges, authority, functions,  
17 and duties include, [~~including~~] but are not limited to:

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

21 (2) the authority [~~, after approval by voters at an~~  
22 ~~election conducted within the boundaries of the district,~~] to levy,  
23 assess and collect taxes for maintenance and operating purposes in  
24 the manner set forth in Sections 49.107(a)-(e), Water Code, and for  
25 the repayment of bonds, notes, warrants, lease purchase agreements,  
26 certificates of assessment, certificates of participation in lease  
27 purchase agreements, and other interest-bearing obligations in the

1 manner set forth in Sections 49.106(a)-(d), Water Code, and for all  
2 of the purposes for which the district may expend funds;

3 (3) to establish, levy, and collect special  
4 assessments in the manner specified in Sections 375.111-375.124,  
5 Local Government Code; provided, however, that Sections  
6 375.161-375.163, Local Government Code, shall not apply to the  
7 assessments imposed by the district;

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

14 (5) to enter into obligations, including, but not  
15 limited to, lease purchase agreements, certificates of  
16 participation in lease purchase agreements, general obligation  
17 bonds and notes and revenue bonds and notes, and combination  
18 general obligation and revenue bonds and notes and other  
19 interest-bearing obligations, in the manner specified in Sections  
20 375.201-375.204, Local Government Code. To enter into these  
21 obligations, the district shall obtain only those approvals  
22 required for the issuance of obligations by Hays County by Chapter  
23 53, Acts of the 70th Legislature, Second Called Session, 1987;

24 (6) to adopt the powers of a road district under  
25 Section 52(b)(3), Article III, Texas Constitution, in the manner  
26 specified in Sections 53.029(c) and (d), Water Code;

27 (7) to levy, assess, and collect ad valorem taxes to

1 make payments on a contract under Sections 49.108(a)-(d), Water  
2 Code, after obtaining those approvals specified in Section 1,  
3 Chapter 778, Acts of the 74th Legislature, Regular Session, 1995;

4 (8) to exercise all of the rights, powers, and  
5 authority of a road district, a municipal management district, and  
6 a municipal utility district [~~water control and improvement~~  
7 ~~district which are not specifically contradicted by Chapter 383,~~  
8 ~~Local Government Code~~]; [and]

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

24 (10) to purchase a right-of-way.

25 SECTION 3. Chapter 1503, Acts of the 77th Legislature,  
26 Regular Session, 2001, is amended by adding Sections 5A, 5B, 5C, 5D,  
27 5E, and 5F to read as follows:

1       Sec. 5A. IMPROVEMENT PROJECTS. (a) The district may  
2 provide, or it may contract with a governmental or private entity to  
3 provide, the following types of improvement projects or activities  
4 in support of or incidental to those projects:

5           (1) a supply and distribution facility or system to  
6 provide potable and nonpotable water to the residents and  
7 businesses of the district, including a wastewater collection  
8 facility;

9           (2) a paved road or street, inside and outside the  
10 district, to the extent authorized by Section 52, Article III,  
11 Texas Constitution;

12           (3) the planning, design, construction, improvement,  
13 and maintenance of:

14                   (A) landscaping;

15                   (B) highway right-of-way or transit corridor  
16 beautification and improvement;

17                   (C) lighting, banners, and signs;

18                   (D) a street or sidewalk;

19                   (E) a hiking and cycling path or trail;

20                   (F) a pedestrian walkway, skywalk, crosswalk, or  
21 tunnel;

22                   (G) a park, lake, garden, recreational facility,  
23 sports facility, golf course, open space, scenic area, or related  
24 exhibit or preserve;

25                   (H) a fountain, plaza, or pedestrian mall; or

26                   (I) a drainage or storm-water detention  
27 improvement;

1           (4) protection and improvement of the quality of storm  
2 water that flows through the district;

3           (5) the planning, design, construction, improvement,  
4 maintenance, and operation of:

5                   (A) a water or sewer facility; or

6                   (B) an off-street parking facility or heliport;

7           (6) the planning and acquisition of:

8                   (A) public art and sculpture and related exhibits  
9 and facilities; or

10                   (B) an educational and cultural exhibit or  
11 facility;

12           (7) the planning, design, construction, acquisition,  
13 lease, rental, improvement, maintenance, installation, and  
14 management of and provision of furnishings for a facility for:

15                   (A) a conference, convention, or exhibition;

16                   (B) a manufacturer, consumer, or trade show;

17                   (C) a civic, community, or institutional event;

18 or

19                   (D) an exhibit, display, attraction, special  
20 event, or seasonal or cultural celebration or holiday;

21           (8) the removal, razing, demolition, or clearing of  
22 land or improvements in connection with an improvement project;

23           (9) the acquisition and improvement of land or other  
24 property for the mitigation of the environmental effects of an  
25 improvement project;

26           (10) the acquisition of property or an interest in  
27 property in connection with an authorized improvement project;

1           (11) a special or supplemental service for the  
2 improvement and promotion of the district or an area adjacent to the  
3 district or for the protection of public health and safety in or  
4 adjacent to the district, including:

5                   (A) advertising;

6                   (B) promotion;

7                   (C) tourism;

8                   (D) health and sanitation;

9                   (E) public safety;

10                   (F) security;

11                   (G) fire protection or emergency medical  
12 services;

13                   (H) business recruitment;

14                   (I) development;

15                   (J) elimination of traffic congestion; and

16                   (K) recreational, educational, or cultural  
17 improvements, enhancements, and services; or

18           (12) any similar public improvement, facility, or  
19 service, including a public improvement, facility, or service  
20 normally provided by a municipal utility district or municipal  
21 management district.

22           (b) The district may undertake:

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

25                   (2) an improvement project under this section that the  
26 board determines is necessary to accomplish a public purpose of the  
27 district.

1       Sec. 5B. CONTRACT POWERS. (a) The district may contract  
2 with any person to accomplish a district purpose, including to:

3           (1) pay a person for any costs incurred by that person  
4 on behalf of the district, including all or part of the costs of an  
5 improvement project, and any interest on those costs; and

6           (2) use, occupy, lease, rent, operate, maintain, or  
7 manage all or part of an improvement project.

8       (b) The district may apply for and contract with any person  
9 to receive, administer, and perform a district duty under a  
10 federal, state, local, or private gift, grant, loan, conveyance,  
11 transfer, bequest, or other financial assistance arrangement  
12 relating to the investigation, planning, analysis, study, design,  
13 acquisition, construction, improvement, completion,  
14 implementation, or operation by the district or other entity of an  
15 improvement project.

16       (c) The district may contract with any person to carry out a  
17 district purpose on the terms and for a period determined by the  
18 board.

19       (d) A person may contract with the district to carry out a  
20 district purpose without further statutory or other authorization.

21       Sec. 5C. RULES; ENFORCEMENT. (a) The district may adopt  
22 rules:

23           (1) to administer or operate the district;

24           (2) for the use, enjoyment, availability, protection,  
25 security, and maintenance of the district's property, including  
26 facilities; or

27           (3) to provide for public safety and security in the



1 district.

2 (b) The district may enforce its rules by injunctive relief.

3 Sec. 5D. CONFLICT WITH MUNICIPAL RULE, ORDER, OR ORDINANCE.

4 To the extent a district rule conflicts with a rule, order, or  
5 ordinance of a municipality, the municipal rule, order, or  
6 ordinance controls.

7 Sec. 5E. USE OF ROADWAY, PARK, OR OTHER PUBLIC AREA OR

8 FACILITY OF DISTRICT. (a) The board by rule may regulate the  
9 private use of a public roadway, open space, park, sidewalk, or  
10 similar public area or facility in the district. A rule may provide  
11 for the safe and orderly use of public roadways, open spaces, parks,  
12 sidewalks, and similar public areas or facilities.

13 (b) The board may require a permit for a parade,  
14 demonstration, celebration, entertainment event, or similar  
15 nongovernmental activity in or on a public roadway, open space,  
16 park, sidewalk, or similar public area or facility in the district.  
17 The board may charge a fee for the permit application or for public  
18 safety or security services for those facilities in an amount the  
19 board considers necessary.

20 (c) The board may require a permit or franchise agreement  
21 with a vendor, concessionaire, exhibitor, or similar private or  
22 commercial person or organization for the limited use of the area or  
23 facility in the district on terms and on payment of a permit or  
24 franchise fee the board may impose.

25 Sec. 5F. BONDS NOT SUBJECT TO JURISDICTION OR SUPERVISION

26 OF TEXAS COMMISSION ON ENVIRONMENTAL QUALITY OR MUNICIPALITY. (a)

27 The district's bonds and other securities are not subject to the

1 jurisdiction or supervision of the Texas Commission on  
2 Environmental Quality under Chapter 49, Water Code, Chapter 375,  
3 Local Government Code, or any other law.

4 (b) Sections 375.207 and 375.208, Local Government Code, do  
5 not apply to the district.

6 SECTION 4. Sections 7(a) and (b), Chapter 1503, Acts of the  
7 77th Legislature, Regular Session, 2001, are amended to read as  
8 follows:

9 (a) The district shall [~~continue to~~] operate  
10 administratively as a municipal utility [~~county development~~]  
11 district and, subject to this Act [~~the provisions hereinafter set~~  
12 ~~forth~~], comply with Subchapters C and D, Chapter 49, Water Code, and  
13 Subchapter C, Chapter 54, Water Code [~~383, Local Government Code~~].

14 (b) Each director who takes office after the effective date  
15 of the [~~this~~] Act of the 82nd Legislature, Regular Session, 2011,  
16 amending this section shall:

17 (1) own land in [~~within the boundaries of~~] the  
18 district; or

19 (2) be a qualified voter in the district.

20 SECTION 5. Section 8, Chapter 1503, Acts of the 77th  
21 Legislature, Regular Session, 2001, is amended to read as follows:

22 Sec. 8. LEGISLATIVE FINDINGS. [~~The legislature finds that~~  
23 ~~the principal function of the district is to provide for~~  
24 ~~development and operation of the project, to facilitate economic~~  
25 ~~development, and to attract visitors and tourists, which will~~  
26 ~~result in employment and economic activity in Hays County.~~] The

27 legislature finds that the district may provide water and sewer,

1 landscaping, drainage, and reclamation services to residential  
2 retail or commercial customers or entertainment venues. The  
3 district is a district described in Section 49.181(h)(4), Water  
4 Code.

5 SECTION 6. Section 7(e), Acts of the 77th Legislature,  
6 Regular Session, 2001, is repealed.

7 SECTION 7. An election to confirm a person who is a member  
8 of the board of directors of the Hays County Development District  
9 No. 1 as of May 1, 2011, is not required.

10 SECTION 8. 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 9. (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 10. This Act takes effect immediately if it  
4 receives a vote of two-thirds of all the members elected to each  
5 house, as provided by Section 39, Article III, Texas Constitution.  
6 If this Act does not receive the vote necessary for immediate  
7 effect, this Act takes effect September 1, 2011.