

By: Fraser

S.B. No. 526

A BILL TO BE ENTITLED

AN ACT

relating to the power of the Bell County Water Control and Improvement District No. 1 to issue bonds.

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

SECTION 1. Section 9005.102, Special District Local Laws Code, is amended to read as follows:

Sec. 9005.102. AUTHORITY TO ISSUE BONDS. (a) The district may issue bonds for the purpose of purchasing, constructing, acquiring, owning, operating, repairing, improving, enlarging, or extending any district works, improvements, facilities, plants, equipment, and appliances needed or useful to accomplish or carry out the purposes, powers, functions, or obligations of the district, including works, improvements, facilities, plants, equipment, and appliances needed to provide a waterworks system, sanitary sewer system, storm sewer system, or solid waste disposal system. [In this section, "district property" means the district's improvements, including property operated by the district under a lease.]

(b) To provide for the payment of bonds issued under this section, the [The] district may:

(1) impose ad valorem taxes on all taxable property in the district;

(2) pledge all or any part of revenue available to the district from any source, including all or part of the revenue:

1 (A) resulting from the ownership or operation of
2 the district's works, improvements, facilities, plants, equipment,
3 and appliances; or

4 (B) available under specific contracts for a
5 period of time the district determines; or

6 (3) pledge any combination of the sources of taxes or
7 revenue described by Subdivisions (1) and (2) [~~may call a bond~~
8 election and issue bonds in the manner and for the purposes provided
9 in Chapters 49 and 51, Water Code. In addition to the purposes
10 under those chapters, the district may vote on and issue bonds to:

11 [~~(1) acquire materials, supplies, equipment, and~~
12 other property needed or useful to maintain district property; and

13 [~~(2) extend, enlarge, improve, or repair district~~
14 property].

15 (c) Bonds secured by and payable solely from revenue under
16 Subsection (b)(2):

17 (1) may be issued without an election; and

18 (2) are not subject to Section 49.181, Water Code [~~If~~
19 bonds are voted on and issued in connection with property to be
20 operated by the district under lease, the engineer's report must
21 include a summary of the proposed expenditures of the bond
22 proceeds].

23 (d) The district must hold an election in the manner
24 provided by Chapters 49 and 51, Water Code, to obtain voter approval
25 before the district may impose an ad valorem tax or issue bonds
26 payable from ad valorem taxes.

27 (e) The district may exercise any of the rights or powers

1 granted to the governing body of an issuer under Chapter 1371,
2 Government Code.

3 (f) This section is wholly sufficient authority for the
4 issuance of bonds, the pledge of revenues, taxes, or any
5 combination of revenues and taxes, and the performance of other
6 acts and procedures authorized by this section by the district
7 without reference to any other provision of law or any restriction
8 or limitation contained in those provisions, except as specifically
9 provided by this section.

10 (g) To the extent of any conflict or inconsistency between
11 this section and any other law, this section controls.

12 (h) The district may use any law not in conflict with this
13 section to the extent convenient or necessary to carry out any power
14 or authority, express or implied, granted by this section.

15 SECTION 2. The changes in law made by this Act apply only to
16 a bond issued by the Bell County Water Control and Improvement
17 District No. 1 on or after the effective date of this Act. A bond
18 issued by the Bell County Water Control and Improvement District
19 No. 1 before the effective date of this Act is governed by the law as
20 it existed immediately before the effective date of this Act, and
21 that law is continued in effect for that purpose.

22 SECTION 3. (a) The legal notice of the intention to
23 introduce this Act, setting forth the general substance of this
24 Act, has been published as provided by law, and the notice and a
25 copy of this Act have been furnished to all persons, agencies,
26 officials, or entities to which they are required to be furnished
27 under Section 59, Article XVI, Texas Constitution, and Chapter 313,

1 Government Code.

2 (b) The governor, one of the required recipients, has
3 submitted the notice and Act to the Texas Commission on
4 Environmental Quality.

5 (c) The Texas Commission on Environmental Quality has filed
6 its recommendations relating to this Act with the governor, the
7 lieutenant governor, and the speaker of the house of
8 representatives within the required time.

9 (d) All requirements of the constitution and laws of this
10 state and the rules and procedures of the legislature with respect
11 to the notice, introduction, and passage of this Act are fulfilled
12 and accomplished.

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