

By: Hinojosa

S.B. No. 587

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of the Hidalgo County Water Control and Improvement District No. 19; providing authority to issue bonds; providing authority to impose fees and taxes.

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

SECTION 1. Subtitle I, Title 6, Special District Local Laws Code, is amended by adding Chapter 9044 to read as follows:

CHAPTER 9044. HIDALGO COUNTY WATER CONTROL AND IMPROVEMENT

DISTRICT NO. 19

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 9044.001. DEFINITION. In this chapter, "district" means the Hidalgo County Water Control and Improvement District No. 19.

Sec. 9044.002. NATURE AND PURPOSES OF DISTRICT. (a) The district is a water control and improvement district created under Section 59, Article XVI, Texas Constitution.

(b) The district is created to accomplish the purposes of:

(1) a water control and improvement district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

1 SUBCHAPTER B. POWERS AND DUTIES

2 Sec. 9044.051. GENERAL POWERS AND DUTIES. The district has
3 the powers and duties necessary to accomplish the purposes for
4 which the district is created.

5 Sec. 9044.052. WATER CONTROL AND IMPROVEMENT DISTRICT
6 POWERS AND DUTIES. The district has the powers and duties provided
7 by the general law of this state, including Chapters 49 and 51,
8 Water Code, applicable to water control and improvement districts
9 created under Section 59, Article XVI, Texas Constitution.

10 Sec. 9044.053. AUTHORITY FOR ROAD PROJECTS. Under Section
11 52, Article III, Texas Constitution, the district may design,
12 acquire, construct, finance, issue bonds for, improve, operate,
13 maintain, and convey to this state, a county, or a municipality for
14 operation and maintenance macadamized, graveled, or paved roads, or
15 improvements, including storm drainage, in aid of those roads.

16 Sec. 9044.054. ROAD STANDARDS AND REQUIREMENTS. (a) A
17 road project must meet all applicable construction standards,
18 zoning and subdivision requirements, and regulations of each
19 municipality in whose corporate limits or extraterritorial
20 jurisdiction the road project is located.

21 (b) If a road project is not located in the corporate limits
22 or extraterritorial jurisdiction of a municipality, the road
23 project must meet all applicable construction standards,
24 subdivision requirements, and regulations of each county in which
25 the road project is located.

26 (c) If the state will maintain and operate the road, the
27 Texas Transportation Commission must approve the plans and

1 specifications of the road project.

2 Sec. 9044.055. DIVISION OF DISTRICT. (a) The district may
3 be divided into two or more new districts only if the district:

4 (1) has no outstanding bonded debt; and

5 (2) is not imposing ad valorem taxes.

6 (b) This chapter applies to any new district created by the
7 division of the district, and a new district has all the powers and
8 duties of the district.

9 (c) Any new district created by the division of the district
10 may not, at the time the new district is created, contain any land
11 outside the district as of the effective date of the Act enacting
12 this chapter.

13 (d) The district's board of directors, on its own motion or
14 on receipt of a petition signed by the owner or owners of a majority
15 of the assessed value of the real property in the district, may
16 adopt an order dividing the district.

17 (e) An order dividing the district must:

18 (1) name each new district;

19 (2) include the metes and bounds description of the
20 territory of each new district;

21 (3) appoint temporary directors serving staggered
22 four-year terms for each new district; and

23 (4) provide for the division of assets and liabilities
24 between or among the new districts.

25 (f) On or before the 30th day after the date of adoption of
26 an order dividing the district, the district shall file the order
27 with the Texas Commission on Environmental Quality and record the

1 order in the real property records of each county in which the
2 district is located.

3 (g) A new district created by the division of the district
4 is not required to hold a confirmation election.

5 (h) The consent of a municipality or county is not required
6 for the creation of any new district under this section if the new
7 district's creation complies with Subsection (c).

8 (i) A new district created by the division of the district
9 must hold an election to obtain voter approval before the district
10 may impose a maintenance tax or issue bonds payable wholly or partly
11 from ad valorem taxes.

12 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

13 Sec. 9044.101. AUTHORITY TO ISSUE BONDS AND OTHER
14 OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds
15 or other obligations payable wholly or partly from ad valorem
16 taxes, impact fees, revenue, contract payments, grants, or other
17 district money, or any combination of those sources, to pay for a
18 road project authorized by Section 9044.053.

19 (b) The district may not issue bonds payable from ad valorem
20 taxes to finance a road project unless the issuance is approved by a
21 vote of a two-thirds majority of the district voters voting at an
22 election held for that purpose.

23 (c) At the time of issuance, the total principal amount of
24 bonds or other obligations issued or incurred to finance road
25 projects and payable from ad valorem taxes may not exceed
26 one-fourth of the assessed value of real property in the district.

27 Sec. 9044.102. TAXES FOR BONDS. At the time the district

1 issues bonds payable wholly or partly from ad valorem taxes, the
2 board shall provide for the annual imposition of a continuing
3 direct ad valorem tax, without limit as to rate or amount, while all
4 or part of the bonds are outstanding.

5 SECTION 2. The Hidalgo County Water Control and Improvement
6 District No. 19 retains all the rights, powers, privileges,
7 authority, duties, and functions that it had before the effective
8 date of this Act.

9 SECTION 3. (a) The legislature validates and confirms all
10 governmental acts and proceedings of the Hidalgo County Water
11 Control and Improvement District No. 19 that were taken before the
12 effective date of this Act.

13 (b) This section does not apply to any matter that on the
14 effective date of this Act:

15 (1) is involved in litigation if the litigation
16 ultimately results in the matter being held invalid by a final court
17 judgment; or

18 (2) has been held invalid by a final court judgment.

19 SECTION 4. (a) The legal notice of the intention to
20 introduce this Act, setting forth the general substance of this
21 Act, has been published as provided by law, and the notice and a
22 copy of this Act have been furnished to all persons, agencies,
23 officials, or entities to which they are required to be furnished
24 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
25 Government Code.

26 (b) The governor, one of the required recipients, has
27 submitted the notice and Act to the Texas Commission on

1 Environmental Quality.

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

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

10 SECTION 5. This Act takes effect immediately if it receives
11 a vote of two-thirds of all the members elected to each house, as
12 provided by Section 39, Article III, Texas Constitution. If this
13 Act does not receive the vote necessary for immediate effect, this
14 Act takes effect September 1, 2013.