

1 AN ACT

2 relating to the powers and duties of the Hidalgo County Water  
3 Control and Improvement District No. 18; providing authority to  
4 issue bonds; providing authority to impose fees and taxes.

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

6 SECTION 1. Subtitle I, Title 6, Special District Local Laws  
7 Code, is amended by adding Chapter 9067 to read as follows:

8 CHAPTER 9067. HIDALGO COUNTY WATER CONTROL AND IMPROVEMENT

9 DISTRICT NO. 18

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 9067.001. DEFINITION. In this chapter, "district"  
12 means the Hidalgo County Water Control and Improvement District No.  
13 18.

14 Sec. 9067.002. NATURE AND PURPOSES OF DISTRICT. (a) The  
15 district is a water control and improvement district created under  
16 Section 59, Article XVI, Texas Constitution.

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

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

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

1                   SUBCHAPTER B. POWERS AND DUTIES

2           Sec. 9067.051. 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. 9067.052. 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 including the power to construct, participate in, own, maintain,  
11 and provide services related to water conservation projects, lakes,  
12 reservoirs, canals, and wells, and water, sewer, recycled water,  
13 and related utility facilities.

14           Sec. 9067.053. AUTHORITY FOR ROAD PROJECTS. Under Section  
15 52, Article III, Texas Constitution, the district may design,  
16 acquire, construct, finance, issue bonds for, improve, operate,  
17 maintain, and convey to this state, a county, a municipality, or a  
18 public improvement district within a municipality for operation and  
19 maintenance macadamized, graveled, or paved roads, or  
20 improvements, including storm drainage, lakes, reservoirs, canals,  
21 underground drainage, and water treatment systems, in aid of those  
22 roads.

23           Sec. 9067.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road  
24 project must meet all applicable construction standards, zoning and  
25 subdivision requirements, and regulations of each municipality in  
26 whose corporate limits or extraterritorial jurisdiction the road  
27 project is located.

1        (b) If a road project is not located in the corporate limits  
2 or extraterritorial jurisdiction of a municipality, the road  
3 project must meet all applicable construction standards,  
4 subdivision requirements, and regulations of each county in which  
5 the road project is located.

6        (c) If the state will maintain and operate the road, the  
7 Texas Transportation Commission must approve the plans and  
8 specifications of the road project.

9        Sec. 9067.055. PARTICIPATION IN WATER CONSERVATION  
10 PROJECTS. The district may participate in the funding and  
11 construction of improvements related to water conservation  
12 projects within the City of McAllen Tax Increment Reinvestment Zone  
13 Number One. Those projects include the construction of lakes,  
14 reservoirs, drainage facilities, recycled water facilities,  
15 constructed wetlands and filtration systems, and related  
16 infrastructure. The district may not engage in projects authorized  
17 by this section outside of the boundaries of the district. The  
18 district may exercise the powers under this section only in  
19 cooperation with a public improvement district located within the  
20 boundaries of the City of McAllen Tax Increment Reinvestment Zone  
21 Number One under an agreement between the district and the public  
22 entity or improvement district.

23                    SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

24        Sec. 9067.101. AUTHORITY TO ISSUE BONDS AND OTHER  
25 OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or  
26 other obligations payable wholly or partly from ad valorem taxes,  
27 impact fees, revenue, contract payments, grants, or other district

1 money, or any combination of those sources, to pay for a project  
2 authorized by Section 9067.053 or 9067.055.

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

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

11 Sec. 9067.102. TAXES FOR BONDS. At the time the district  
12 issues bonds payable wholly or partly from ad valorem taxes, the  
13 board shall provide for the annual imposition of a continuing  
14 direct ad valorem tax, without limit as to rate or amount, while all  
15 or part of the bonds are outstanding.

16 SECTION 2. The Hidalgo County Water Control and Improvement  
17 District No. 18 retains all the rights, powers, privileges,  
18 authority, duties, and functions that it had before the effective  
19 date of this Act.

20 SECTION 3. (a) The legislature validates and confirms all  
21 acts and proceedings of the Hidalgo County Water Control and  
22 Improvement District No. 18 that were taken before the effective  
23 date of this Act.

24 (b) Subsection (a) of this section does not apply to any  
25 matter that on the effective date of this Act:

26 (1) is involved in litigation if the litigation  
27 ultimately results in the matter being held invalid by a final

1 judgment of a court; or

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

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

11 (b) The governor, one of the required recipients, has  
12 submitted the notice and Act to the Texas Commission on  
13 Environmental Quality.

14 (c) The Texas Commission on Environmental Quality has filed  
15 its recommendations relating to this Act with the governor, the  
16 lieutenant governor, and the speaker of the house of  
17 representatives within the required time.

18 (d) All requirements of the constitution and laws of this  
19 state and the rules and procedures of the legislature with respect  
20 to the notice, introduction, and passage of this Act are fulfilled  
21 and accomplished.

22 SECTION 5. This Act takes effect immediately if it receives  
23 a vote of two-thirds of all the members elected to each house, as  
24 provided by Section 39, Article III, Texas Constitution. If this  
25 Act does not receive the vote necessary for immediate effect, this  
26 Act takes effect September 1, 2015.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3220 was passed by the House on May 8, 2015, by the following vote: Yeas 139, Nays 3, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3220 was passed by the Senate on May 22, 2015, by the following vote: Yeas 30, Nays 1.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor