1-1 Martinez, et al. (Senate Sponsor - Hinojosa) H.B. No. 3220 By: (In the Senate - Received from the House May 11, 2015; May 11, 2015, read first time and referred to Committee on Intergovernmental Relations; May 18, 2015, reported favorably by the following vote: Yeas 5, Nays 0; May 18, 2015, sent to printer.) 1-2 1-3 1-4 1-5 1-6 COMMITTEE VOTE 1-7 Yea Nav Absent PNV 1-8 Lucio Х 1-9 Х Bettencourt 1-10 1-11 Campbell Х Χ Garcia 1-12 Menéndez Х 1-13 Nichols Х Х 1-14 Taylor of Galveston A BILL TO BE ENTITLED 1-15 1 - 16AN ACT relating to the powers and duties of the Hidalgo County Water Control and Improvement District No. 18; providing authority to issue bonds; providing authority to impose fees and taxes. 1-17 -1**-**18 1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 1-20 SECTION 1. Subtitle I, Title 6, Special District Local Laws Code, is amended by adding Chapter 9067 to read as follows: 1-21 1-22 1-23 CHAPTER 9067. HIDALGO COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 18 1-24 1-25 SUBCHAPTER A. GENERAL PROVISIONS Sec. 9067.001. DEFINITION. In this chapter, 1-26 "district" means the Hidalgo County Water Control and Improvement District No. 1-27 1-28 18. 1-29 Sec. 9067.002. NATURE AND PURPOSES OF DISTRICT. (a) The district is a water control and improvement district created under 1-30 1-31 Section 59, Article XVI, Texas Constitution. The district is created to accomplish the purposes of: (1) a water control and improvement district 1-32 (b) 1 - 33as provided 1-34 by general law and Section 59, Article XVI, Texas 1-35 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. 1-36 1-37 1-38 1-39 SUBCHAPTER B. POWERS AND DUTIES 1 - 40Sec. 9067.051. GENERAL POWERS AND DUTIES. The district has 1-41 the powers and duties necessary which the district is created. to 1-42 accomplish the purposes for 1-43 Sec. 9067.052. WATER 1-44 CONTROL AND IMPROVEMENT DISTRICT 1-45 POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 51, Water Code, applicable to water control and improvement districts created under Section 59, Article XVI, Texas Constitution, 1-46 1-47 1-48 including the power to construct, participate in, own, maintain, 1-49 1-50 and provide services related to water conservation projects, lakes, reservoirs, canals, and wells, and water, sewer, recycled water, and related utility facilities. Sec. 9067.053. AUTHORITY FOR ROAD PROJECTS. Under Section 1-51 1-52 1-53 1-54 Article III, Texas Constitution, the district may design, 1-55 acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, a municipality, or a public improvement district within a municipality for operation and 1-56 1-57 1-58 maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, lakes, reservoirs, canals, 1-59 underground drainage, and water treatment systems, in aid of those 1-60 1-61 roads.

H.B. No. 3220

2-1 Sec. 9067.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.
2-6 (b) If a road project is not located in the corporate limits

2-6 (b) If a road project is not located in the corporate limits 2-7 or extraterritorial jurisdiction of a municipality, the road 2-8 project must meet all applicable construction standards, 2-9 subdivision requirements, and regulations of each county in which 2-10 the road project is located. 2-11 (c) If the state will maintain and operate the road, the

2-11 (c) If the state will maintain and operate the road, the 2-12 Texas Transportation Commission must approve the plans and 2-13 specifications of the road project.

Sec. 9067.055. PARTICIPATION IN WATER CONSERVATION PROJECTS. The district may participate in the funding and construction of improvements related to water conservation 2-14 2**-**15 2**-**16 2-17 projects within the City of McAllen Tax Increment Reinvestment Zone Number One. Those projects include the construction of lakes, 2-18 reservoirs, drainage facilities, recycled water facilities, constructed wetlands and filtration systems, and related infrastructure. The district may not engage in projects authorized 2-19 2-20 2-21 2-22 by this section outside of the boundaries of the district. The district may exercise the powers under this section only in 2-23 cooperation with a public improvement district located within the boundaries of the City of McAllen Tax Increment Reinvestment Zone Number One under an agreement between the district and the public 2-24 2**-**25 2**-**26 2-27 entity or improvement district.

SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

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2-29 <u>Sec. 9067.101. AUTHORITY TO ISSUE BONDS AND OTHER</u> 2-30 <u>OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or</u> 2-31 <u>other obligations payable wholly or partly from ad valorem taxes,</u> 2-32 <u>impact fees, revenue, contract payments, grants, or other district</u> 2-33 <u>money, or any combination of those sources, to pay for a project</u> 2-34 <u>authorized by Section 9067.053 or 9067.055.</u>

2-35 (b) The district may not issue bonds payable from ad valorem 2-36 taxes to finance a road project unless the issuance is approved by a 2-37 vote of a two-thirds majority of the district voters voting at an 2-38 election held for that purpose.

2-39 (c) At the time of issuance, the total principal amount of 2-40 bonds or other obligations issued or incurred to finance road 2-41 projects and payable from ad valorem taxes may not exceed 2-42 one-fourth of the assessed value of real property in the district.

2-43 Sec. 9067.102. TAXES FOR BONDS. At the time the district 2-44 issues bonds payable wholly or partly from ad valorem taxes, the 2-45 board shall provide for the annual imposition of a continuing 2-46 direct ad valorem tax, without limit as to rate or amount, while all 2-47 or part of the bonds are outstanding.

2-48 SECTION 2. The Hidalgo County Water Control and Improvement 2-49 District No. 18 retains all the rights, powers, privileges, 2-50 authority, duties, and functions that it had before the effective 2-51 date of this Act.

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

2-56 (b) Subsection (a) of this section does not apply to any 2-57 matter that on the effective date of this Act:

2-58 (1) is involved in litigation if the litigation 2-59 ultimately results in the matter being held invalid by a final 2-60 judgment of a court; or

2-61 (2) has been held invalid by a final judgment of a 2-62 court.

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

H.B. No. 3220

3-1 (b) The governor, one of the required recipients, has 3-2 submitted the notice and Act to the Texas Commission on 3-3 Environmental Quality.

3-4 (c) The Texas Commission on Environmental Quality has filed 3-5 its recommendations relating to this Act with the governor, the 3-6 lieutenant governor, and the speaker of the house of 3-7 representatives within the required time.

3-8 (d) All requirements of the constitution and laws of this 3-9 state and the rules and procedures of the legislature with respect 3-10 to the notice, introduction, and passage of this Act are fulfilled 3-11 and accomplished.

3-12 SECTION 5. This Act takes effect immediately if it receives 3-13 a vote of two-thirds of all the members elected to each house, as 3-14 provided by Section 39, Article III, Texas Constitution. If this 3-15 Act does not receive the vote necessary for immediate effect, this 3-16 Act takes effect September 1, 2015.

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