By: Campbell S.B. No. 2073

A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the Hays County Development District No. 1.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 4 SECTION 1. Section 1, Chapter 1503, Acts of the 77th
- 5 Legislature, Regular Session, 2001, is amended by amending
- 6 Subsections (a) and (c) and adding Subsections (d) and (e) to read
- 7 as follows:
- 8 (a) The legislature finds that the creation of Hays County
- 9 Development District No. 1 (the "district"), [and] the project
- 10 approved by the Hays County Commissioners Court on January 11, 2000
- 11 (the "project"), and other projects described by Section 5A will
- 12 serve the public purpose of attracting visitors and tourists to
- 13 Hays County and will result in employment and economic activity in
- 14 the manner contemplated by Section 52-a, Article III, Texas
- 15 Constitution, and Chapter 383, Local Government Code.
- 16 (c) The legislature further finds that the creation and
- 17 operation of the district and the acquisition or financing of the
- 18 project or another project described by Section 5A by the district
- 19 serve the purpose of Section 59, Article XVI, and Section 52,
- 20 Article III, Texas Constitution, and that all steps necessary to
- 21 create the district have been taken.
- 22 <u>(d) The legislature further finds that the creation and</u>
- 23 continued operation of the district is essential to accomplish the
- 24 purposes of Sections 52 and 52-a, Article III, and Section 59,

- 1 Article XVI, Texas Constitution, and other public purposes stated
- 2 in this Act.
- 3 (e) A legislative finding made under this Act is conclusive
- 4 and the district is not required to offer proof of the purpose or
- 5 results before exercising a power granted by this Act.
- 6 SECTION 2. Section 5, Chapter 1503, Acts of the 77th
- 7 Legislature, Regular Session, 2001, is amended to read as follows:
- 8 Sec. 5. POWERS. (a) The district has all of the rights,
- 9 powers, privileges, authority, functions, and duties provided by
- 10 Chapters 375 and 383, Local Government Code, to county development
- 11 districts and municipal management districts, and by Chapters 49
- 12 and 54, Water Code, to municipal utility districts.
- 13 (b) The district's rights, powers, privileges, authority,
- 14 functions, and duties include, [including] but are not limited to:
- 15 (1) the authority to levy, assess, and collect ad
- 16 valorem taxes for the purposes approved at the elections conducted
- 17 on November 7, 2000, or at an election conducted in the district
- 18 after that date;
- 19 (2) the authority, after approval by voters at an
- 20 election conducted within the boundaries of the district, to levy,
- 21 assess and collect taxes for maintenance and operating purposes in
- 22 the manner set forth in Sections 49.107(a)-(e), Water Code, and for
- 23 the repayment of bonds, notes, warrants, lease purchase agreements,
- 24 certificates of assessment, certificates of participation in lease
- 25 purchase agreements, and other interest-bearing obligations in the
- 26 manner set forth in Sections 49.106(a)-(d), Water Code, and for all
- 27 of the purposes for which the district may expend funds;

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- 1 (3) to establish, levy, and collect special
- 2 assessments in the manner specified in Sections 375.111-375.124,
- 3 Local Government Code; provided, however, that Sections
- 4 375.161-375.163, Local Government Code, shall not apply to the
- 5 assessments imposed by the district;
- 6 (4) to utilize funds, whether the funds are derived
- 7 from ad valorem taxes, sales and use taxes, hotel occupancy taxes,
- 8 assessments, revenues from the project, or any other source, for
- 9 payment of projects or services in the manner authorized by
- 10 Section 375.181, Local Government Code, [and] Chapter 383, Local
- 11 Government Code, and Chapter 54, Water Code;
- 12 (5) to enter into obligations, including, but not
- 13 limited to, lease purchase agreements, certificates of
- 14 participation in lease purchase agreements, general obligation
- 15 bonds and notes and revenue bonds and notes, and combination
- 16 general obligation and revenue bonds and notes and other
- 17 interest-bearing obligations, in the manner specified in Sections
- 18 375.201-375.205 [375.201-375.204], Local Government Code. To
- 19 enter into these obligations, the district shall obtain only those
- 20 approvals required for the issuance of obligations by Hays County
- 21 by Chapter 53, Acts of the 70th Legislature, Second Called Session,
- 22 1987;
- 23 (6) to adopt <u>and exercise</u> the <u>rights</u>, powers, <u>and</u>
- 24 authority of a road district under Section 52(b)(3), Article III,
- 25 Texas Constitution, in the manner specified in Sections 53.029(c)
- 26 and (d), Water Code;
- 27 (7) to levy, assess, and collect ad valorem taxes to

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- 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
- $6 = \frac{1}{4}$ water control and improvement district which are not
- 7 specifically contradicted by Chapter 383, Local Government Code;
- 8 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 to a municipal utility
- 13 <u>district by Chapters 49 and 54, Water Code</u>, which are not contrary
- 14 to [any provisions of] this Act, to finance, construct, or
- 15 otherwise acquire the project, [or] any element of the project, or
- 16 another project described by Section 5A [identified in the
- 17 Commissioners Court Order Upon Hearing and Granting Petition
- 18 Requesting the Creation of Hays County Development District No. 1
- 19 and Appointing Temporary Directors dated January 11, 2000],
- 20 including, but not limited to, \underline{a} [the] hotel, \underline{a} [the] golf course,
- 21 [the] water, sewer, drainage, and road improvements, [the]
- 22 organizational costs, and $[\frac{\text{the}}{\text{costs}}]$ costs of issuance of the
- 23 obligations of the district.
- SECTION 3. Chapter 1503, Acts of the 77th Legislature,
- 25 Regular Session, 2001, is amended by adding Sections 5A, 5B, and 5C
- 26 to read as follows:
- Sec. 5A. DISTRICT PROJECTS. (a) The district may provide,

- 1 or it may contract with a governmental or private entity to provide,
- 2 the following types of projects or activities in support of or
- 3 incidental to those projects:
- 4 (1) the project approved by the Hays County
- 5 Commissioners Court on January 11, 2000, wholly or partly;
- 6 (2) an improvement project that is a public
- 7 improvement, facility, or service that may be provided by the
- 8 district under the powers granted to the district of a county
- 9 development district, municipal management district, municipal
- 10 utility district, or water control and improvement district,
- 11 including a water, wastewater, reclamation, drainage, road, trail,
- 12 or bridge improvement; or
- 13 (3) a project, other than the project or an
- 14 improvement project described by Subdivision (2), that is approved
- 15 by the board and that the district is authorized to provide under
- 16 the powers granted to the district by this Act.
- 17 (b) A project, improvement, facility, or service described
- 18 by <u>Subsection (a)(2) or (3) is not required to have been considered</u>
- 19 for or included in an order issued by the Hays County Commissioners
- 20 Court on January 11, 2000.
- Sec. 5B. ROAD STANDARDS AND REQUIREMENTS. (a) A road
- 22 project must meet all applicable construction standards, zoning and
- 23 subdivision requirements, and regulations of each municipality in
- 24 whose corporate limits or extraterritorial jurisdiction the road
- 25 project is located.
- 26 (b) If a road project is not located in the corporate limits
- 27 or extraterritorial jurisdiction of a municipality, the road

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- 1 project must meet all applicable construction standards,
- 2 subdivision requirements, and regulations of each county in which
- 3 the road project is located.
- 4 (c) If the state will maintain and operate the road, the
- 5 Texas Transportation Commission must approve the plans and
- 6 specifications of the road project.
- 7 Sec. 5C. LIMIT ON EMINENT DOMAIN POWER. The district may
- 8 not exercise the power of eminent domain outside the district and in
- 9 the corporate limits or extraterritorial jurisdiction of a
- 10 <u>municipality unless the governing body of the municipality consents</u>
- 11 by ordinance or resolution.
- 12 SECTION 4. Section 7, Chapter 1503, Acts of the 77th
- 13 Legislature, Regular Session, 2001, is amended by adding Subsection
- 14 (f) to read as follows:
- (f) Section 375.070, Local Government Code, does not apply
- 16 to the district. A director is entitled to receive fees of office
- 17 and reimbursement for actual expenses as provided by Section
- 18 49.060, Water Code, except that:
- 19 (1) a director is entitled to receive fees of office of
- 20 not more than \$200 a day for each day the director actually spends
- 21 performing the duties of a director; and
- 22 (2) the district may not set the annual limit on the
- 23 fees of office that a director may receive at an amount greater than
- 24 \$8,200.
- SECTION 5. Section 8, Chapter 1503, Acts of the 77th
- 26 Legislature, Regular Session, 2001, is amended to read as follows:
- 27 Sec. 8. LEGISLATIVE FINDINGS. [The legislature finds that

- 1 the principal function of the district is to provide for
- 2 development and operation of the project, to facilitate economic
- 3 development, and to attract visitors and tourists, which will
- 4 result in employment and economic activity in Hays County.] The
- 5 legislature finds that the district may provide water and sewer,
- 6 <u>landscaping</u>, <u>road</u>, drainage, and reclamation services to
- 7 residential retail or commercial customers in the district. The
- 8 district is a district described in Section 49.181(h)(4), Water
- 9 Code.
- SECTION 6. Section 9, Chapter 1503, Acts of the 77th
- 11 Legislature, Regular Session, 2001, is amended to read as follows:
- 12 Sec. 9. ADDITION AND EXCLUSION OF LANDS. (a) Except as
- 13 provided by Subsection (b), in $[\frac{1}{2}]$ addition to the authority
- 14 granted to the district by Section 383.084, Local Government Code,
- 15 the district may add lands in the manner provided by Section 49.301,
- 16 Water Code, and may exclude lands in the methods provided by
- 17 Sections 49.303 through 49.308, Water Code.
- 18 (b) Section 42.0425, Local Government Code, applies to the
- 19 annexation of land in the extraterritorial jurisdiction or
- 20 corporate boundaries of a municipality.
- 21 <u>(c) Land added or annexed under this section is not required</u>
- 22 <u>to be contiguous to the district's territory.</u>
- SECTION 7. This Act does not affect an agreement between the
- 24 district and a municipality in whose corporate limits or
- 25 extraterritorial jurisdiction the district is located that was
- 26 entered into before the effective date of this Act. This section
- 27 does not affect the authority of the district and municipality to

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- 1 amend such an agreement.
- 2 SECTION 8. (a) The legislature confirms and validates all
- 3 actions of the Hays County Development District No. 1 that were
- 4 taken before the effective date of this Act, including any
- 5 elections conducted by the district, including any election to
- 6 impose maintenance and operation taxes or to adopt the powers of a
- 7 road district.
- 8 (b) The Hays County Development District No. 1 is not
- 9 required to repeat an election described by Subsection (a) of this
- 10 section.
- 11 SECTION 9. (a) The legal notice of the intention to
- 12 introduce this Act, setting forth the general substance of this
- 13 Act, has been published as provided by law, and the notice and a
- 14 copy of this Act have been furnished to all persons, agencies,
- 15 officials, or entities to which they are required to be furnished
- 16 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
- 17 Government Code.
- 18 (b) The Texas Commission on Environmental Quality has filed
- 19 its recommendations relating to this Act with the governor, the
- 20 lieutenant governor, and the speaker of the house of
- 21 representatives within the required time.
- (c) All requirements of the constitution and laws of this
- 23 state and the rules and procedures of the legislature with respect
- 24 to the notice, introduction, and passage of this Act are fulfilled
- 25 and accomplished.
- 26 SECTION 10. This Act takes effect immediately if it
- 27 receives a vote of two-thirds of all the members elected to each

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- 1 house, as provided by Section 39, Article III, Texas Constitution.
- 2 If this Act does not receive the vote necessary for immediate
- 3 effect, this Act takes effect September 1, 2015.