By: Fallon H.B. No. 4287

Substitute the following for H.B. No. 4287:

By: Larson C.S.H.B. No. 4287

## A BILL TO BE ENTITLED

| 1 | AN ACT   |
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| 2 | relating to the powers and duties of the Smiley Road Water Control |
| 3 | and Improvement District.  |
| 4 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:            |

- 5 SECTION 1. Section 9001.104, Special District Local Laws
- 6 Code, is amended to read as follows:
- 7 Sec. 9001.104. [PROHIBITION ON] DIVISION OF DISTRICT. (a)
- 8 The district may be divided into two or more districts only if the
- 9 district:
- 10 (1) has no outstanding bonded debt; and
- 11 (2) is not imposing ad valorem taxes.
- 12 (b) This chapter applies to any new district created by the
- 13 division of the district, and a new district has all the powers and
- 14 <u>duties of the district.</u>
- 15 <u>(c) A new district created by the division of the district</u>
- 16 may not, at the time the new district is created, contain any land
- 17 outside the area described by Section 9001.004.
- 18 (d) The board, on its own motion or on receipt of a petition
- 19 signed by the owner or owners of a majority of the assessed value of
- 20 the real property in the district, may adopt an order dividing the
- 21 district.
- (e) An order dividing the district shall:
- 23 (1) name each new district;
- 24 (2) include the metes and bounds of each new district;

- 1 (3) appoint temporary directors for each new district;
- 2 and
- 3 (4) provide for the division of assets and liabilities
- 4 between the district and each new district.
- 5 (f) On or before the 30th day after the date of adoption of
- 6 an order dividing the district, the district shall file the order
- 7 with the Texas Commission on Environmental Quality and record the
- 8 order in the real property records of each county in which the
- 9 district is located.
- 10 (g) A new district may be created by the division of the
- 11 district only if approved by the voters of the new district in a
- 12 confirmation and directors' election held for that purpose.
- 13 (h) If the district is located wholly or partly in the
- 14 corporate limits or the extraterritorial jurisdiction of a
- 15 municipality, the district may not divide under this section unless
- 16 the municipality by resolution or ordinance consents to the
- 17 division of the district.
- 18 (i) Any new district created by the division of the district
- 19 must hold an election to obtain voter approval before the district
- 20 may impose a maintenance tax or issue bonds payable wholly or partly
- 21 from ad valorem taxes. [The district may not divide into two or
- 22 more districts in the manner specified by Section 51.748 or 53.029,
- 23 Water Code.
- SECTION 2. (a) The following are validated and confirmed in
- 25 all respects:
- 26 (1) the creation of the Smiley Road Water Control and
- 27 Improvement District; and

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- 1 (2) any act or proceeding of the district, including
- 2 an election, not excepted by this section and taken not more than
- 3 three years before the effective date of this Act, effective as of
- 4 the date on which the act or proceeding occurred.
- 5 (b) This section does not apply to:
- 6 (1) an act, proceeding, director, other official,
- 7 bond, or other obligation the validity of which or of whom is the
- 8 subject of litigation that is pending on the effective date of this
- 9 Act; or
- 10 (2) an act or proceeding that, under a statute of this
- 11 state or the United States, was a misdemeanor or felony at the time
- 12 the act or proceeding occurred.
- 13 SECTION 3. 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, 2017.