

By: Workman

H.B. No. 4327

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Southwest Travis County Special Utility District; providing authority to issue bonds; granting a limited power of eminent domain; providing authority to impose fees and assessments.

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

SECTION 1. Subtitle C, Title 6, Special District Local Laws Code, is amended by adding Chapter 7221 to read as follows:

CHAPTER 7221. SOUTHWEST TRAVIS COUNTY SPECIAL UTILITY DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7221.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Commissioners court" means the Travis County Commissioners Court.

(3) "Director" means a board member.

(4) "District" means the Southwest Travis County Special Utility District.

Sec. 7221.002. NATURE OF DISTRICT. The district is a special utility district in Travis County created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution. The district is created to serve a public use and benefit.

Sec. 7221.003. CONFIRMATION ELECTION REQUIRED. If the creation of the district is not confirmed at a confirmation and

1 initial directors' election held before September 1, 2019:

2 (1) the district is dissolved on September 1, 2019,
3 except that the district shall:

4 (A) pay any debts incurred;

5 (B) transfer to Travis County any assets of the
6 district that remain after the payment of debts; and

7 (C) maintain the organization of the district
8 until all debts are paid and remaining assets are transferred; and

9 (2) this chapter expires September 1, 2022.

10 Sec. 7221.004. APPLICABILITY OF OTHER LAW. Except as
11 otherwise provided by this chapter, Chapters 49 and 65, Water Code,
12 apply to the district.

13 Sec. 7221.005. INITIAL DISTRICT TERRITORY. (a) The
14 district is initially composed of the territory described by
15 Section 2 of the Act creating this chapter.

16 (b) The boundaries and field notes contained in Section 2 of
17 the Act creating this chapter form a closure. A mistake made in the
18 field notes or in copying the field notes in the legislative process
19 does not affect:

20 (1) the organization, existence, or validity of the
21 district;

22 (2) the right of the district to issue any type of
23 bond, including a refunding bond, for a purpose for which the
24 district is created or to pay the principal of and interest on a
25 bond; or

26 (3) the legality or operation of the district or the
27 board of directors of the district.

1 SUBCHAPTER A-1. TEMPORARY PROVISIONS

2 Sec. 7221.021. APPOINTMENT OF TEMPORARY DIRECTORS;
3 VACANCIES; TERMS. (a) As soon as practicable after the effective
4 date of the Act enacting this chapter, seven persons who reside in
5 the district shall be appointed as temporary directors as follows:

6 (1) the county judge of Travis County shall appoint
7 one temporary director;

8 (2) the county commissioner for the county
9 commissioners precinct in which the district is principally located
10 shall appoint two temporary directors;

11 (3) the state representative who represents the house
12 district in which the district is principally located shall appoint
13 two temporary directors; and

14 (4) the state senator who represents the senate
15 district in which the district is principally located shall appoint
16 two temporary directors.

17 (b) Each temporary director shall qualify for office as
18 provided by Section 49.055, Water Code.

19 (c) If a temporary director fails to qualify for office, the
20 temporary directors who have qualified shall appoint a person to
21 fill the vacancy.

22 (d) If at any time there are fewer than four qualified
23 temporary directors, the Texas Commission on Environmental Quality
24 shall appoint the necessary number of directors to fill all
25 vacancies on the board.

26 (e) Temporary directors serve until the earlier of:

27 (1) the date initial directors are elected under

1 Section 7221.022; or

2 (2) the date this chapter expires under Section
3 7221.003.

4 (f) As soon as practicable after all the temporary directors
5 have qualified under Section 49.055, Water Code, the temporary
6 directors shall convene the organizational meeting of the district
7 and elect officers from among the temporary directors.

8 Sec. 7221.022. CONFIRMATION AND INITIAL DIRECTORS'
9 ELECTION. (a) Before September 1, 2019, the temporary directors
10 shall hold an election to confirm the creation of the district and
11 to elect seven initial directors in accordance with Chapters 49 and
12 65, Water Code.

13 (b) The temporary board of directors shall determine the
14 method for determining the initial term of each person on the
15 initial board of directors. The terms must be clearly stated on the
16 ballot for the confirmation and directors' election.

17 (c) Section 41.001(a), Election Code, does not apply to a
18 confirmation and directors' election held as provided by this
19 section.

20 (d) The initial directors shall continue to serve until the
21 district directors elected at the first regularly scheduled
22 election of directors under Section 7221.052 qualify for office.

23 Sec. 7221.023. EXPIRATION OF SUBCHAPTER. This subchapter
24 expires September 1, 2022.

25 SUBCHAPTER B. BOARD OF DIRECTORS

26 Sec. 7221.051. DIRECTORS. (a) The district shall be
27 governed by a board of seven directors, elected in accordance with

1 Section 65.103, Water Code.

2 (b) The directors of the district serve staggered
3 three-year terms.

4 Sec. 7221.052. ELECTION OF DIRECTORS. After the district
5 is confirmed under Section 7221.022, the district shall hold an
6 election on the uniform election date in November of each year to
7 elect the appropriate number of directors.

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 7221.101. GENERAL POWERS. Except as otherwise
10 provided by this chapter, the district has all of the rights,
11 powers, privileges, authority, functions, and duties provided by
12 the general law of this state, including Chapters 49 and 65, Water
13 Code, applicable to special utility districts created under Section
14 59, Article XVI, Texas Constitution.

15 Sec. 7221.102. EMINENT DOMAIN. (a) Except as provided by
16 Subsection (b), the district has all the power and authority of a
17 special utility district under Chapters 49 and 65, Water Code, to
18 acquire by condemnation any land, easement, or other property
19 located inside or outside the boundaries of the district for any
20 water-related district project or purpose.

21 (b) The district may not exercise the power of eminent
22 domain to condemn land, easements, or other property located
23 outside the boundaries of the district for sanitary sewer purposes.

24 SUBCHAPTER D. DISSOLUTION

25 Sec. 7221.151. DISSOLUTION HEARING AND BOARD VOTE TO
26 DISSOLVE. The board may vote to dissolve the district and transfer
27 the district's assets, obligations, and responsibility for the

1 provision of services to a water control and improvement district
2 if the board concludes after a public hearing held on the issue
3 that:

4 (1) it is in the best interest of the district's
5 residents and of the persons served by the district for the district
6 to dissolve; and

7 (2) it is feasible to transfer the district's assets,
8 obligations, and responsibility for the provision of services to
9 another entity as provided by Section 7221.152.

10 Sec. 7221.152. TRANSFER OF ASSETS, OBLIGATIONS, AND
11 PROVISION OF SERVICES. (a) The board after voting in favor of
12 dissolution shall:

13 (1) transfer the district's assets and obligations to
14 a water control and improvement district; and

15 (2) administer the property, assets, and debts of the
16 district until all money has been disposed of and all district debts
17 have been paid or settled.

18 (b) The board shall make arrangements for the uninterrupted
19 provision of services that were provided by the district at the time
20 the board voted in favor of dissolution.

21 Sec. 7221.153. REPORT; DISSOLUTION ORDER. (a) After the
22 district has transferred all of the district's assets and
23 obligations and arranged for the continued provision of services
24 previously provided by the district, the board shall file a written
25 report with the Texas Commission on Environmental Quality
26 summarizing the board's actions in dissolving the district.

27 (b) Not later than the 10th day after the date the Texas

1 Commission on Environmental Quality receives the report and
2 determines that the requirements of this subchapter have been
3 fulfilled, the commission shall enter an order dissolving the
4 district.

5 SECTION 2. The Southwest Travis County Special Utility
6 District initially includes all the territory contained in the
7 following area, except that the district does not include territory
8 located in the service area of a utility that has been granted a
9 certificate of convenience and necessity to provide water, in the
10 boundaries of a municipality or the extraterritorial jurisdiction
11 of a municipality, or in a municipal utility district, special
12 utility district, or water control and improvement district in
13 existence on the effective date of this Act:

14 THE TERRITORY OF THE SOUTHWEST TRAVIS COUNTY PORTION OF THE
15 HILL COUNTRY PRIORITY GROUNDWATER MANAGEMENT AREA - AS DESCRIBED BY
16 2010 TCEQ REPORT; "The southwestern Travis territory is located in
17 the southwestern quarter of Travis County. The southwestern Travis
18 territory is bound to the west by Blanco and Burnet counties,
19 southwest by Hays County, and southeast by the northwestern
20 boundary of the Barton Springs/Edwards Aquifer Conservation
21 District (BS/EACD). The northern boundary of the southwestern
22 Travis territory is the Colorado River (Lake Travis, Lake Austin,
23 and Lady Bird Lake)."

24 SECTION 3. (a) The legal notice of the intention to
25 introduce this Act, setting forth the general substance of this
26 Act, has been published as provided by law, and the notice and a
27 copy of this Act have been furnished to all persons, agencies,

1 officials, or entities to which they are required to be furnished
2 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
3 Government Code.

4 (b) The governor, one of the required recipients, has
5 submitted the notice and Act to the Texas Commission on
6 Environmental Quality.

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

11 (d) All requirements of the constitution and laws of this
12 state and the rules and procedures of the legislature with respect
13 to the notice, introduction, and passage of this Act are fulfilled
14 and accomplished.

15 SECTION 4. (a) Section 7221.102, Special District Local
16 Laws Code, as added by Section 1 of this Act, takes effect only if
17 this Act receives a two-thirds vote of all the members elected to
18 each house.

19 (b) If this Act does not receive a two-thirds vote of all the
20 members elected to each house, Subchapter C, Chapter 7221, Special
21 District Local Laws Code, as added by Section 1 of this Act, is
22 amended by adding Section 7221.102 to read as follows:

23 Sec. 7221.102. NO EMINENT DOMAIN POWER. The district may
24 not exercise the power of eminent domain.

25 (c) This section is not intended to be an expression of a
26 legislative interpretation of the requirements of Section 17(c),
27 Article I, Texas Constitution.

1 SECTION 5. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2017.