87R3292 ANG-F

By:  Harris H.B. No. 1796

A BILL TO BE ENTITLED

AN ACT

relating to the division of and assumption of road district authority by fresh water supply districts.

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

SECTION 1.  Section 53.029, Water Code, is amended to read as follows:

Sec. 53.029.  [~~DIVISION OF OR~~] ASSUMPTION OF ROAD DISTRICT AUTHORITY [~~BY CERTAIN DISTRICTS~~]. (a) [~~This section applies to a district located in a county that:~~

[~~(1)  has a population of 1.3 million or more and in which a municipality with a population of more than one million is primarily located; or~~

[~~(2)  is adjacent to a county having the characteristics described by Subdivision (1).~~

[~~(b)  A district covered by this section may be divided into two new districts if it has no outstanding bonded debt and is not levying ad valorem taxes. The division procedure is prescribed by Sections 53.030 to 53.041 of this code.~~

[~~(c)~~]  The board of a district [~~covered by this section~~] may order an election to be held in the district to determine whether the district should assume the rights, authority, privileges, and functions of a road district under Article III, Section 52(b)(3), of the Texas Constitution. The election shall be ordered, conducted, and the results canvassed in the manner provided by the applicable provisions of this chapter and the Election Code. The ballots for the election shall be printed to provide for voting for or against: The assumption by the \_\_\_\_\_\_\_\_\_\_ Fresh Water Supply District of the rights, authority, privileges, and functions of a road district under Article III, Section 52(b)(3), of the Texas Constitution. If a majority of the persons voting in the election vote in favor of the proposition, the district shall assume the rights, authority, privileges, and functions of a road district operating under Article III, Section 52(b)(3), of the Texas Constitution, Chapter 257, Transportation Code, and other general laws of this state relating to road districts.

(b) [~~(d)~~]  A district operating as a road district may not issue bonds or otherwise lend its credit for road district purposes except on approval of not less than two-thirds of the qualified voters of the district voting at an election called and held for that purpose. The total amount of bonds, notes, and other obligations of the district issued or incurred under this subsection may not exceed one-fourth of the assessed valuation of real property in the district.

(c) [~~(e)~~]  A district that has adopted the rights, authority, privileges, and functions of a road district in the manner provided by Subsection (a) [~~(c)~~] may, following approval of a construction contract by the district's governing body, reimburse expenditures as provided by Sections 257.003(a) and (b), Transportation Code, without any additional approval under Section 257.003, Transportation Code.

SECTION 2.  Subchapter B, Chapter 53, Water Code, is amended by adding Section 53.0291 to read as follows:

Sec. 53.0291.  DIVISION OF DISTRICT. A district may be divided into two new districts as provided by Sections 53.030 through 53.041 if the district:

(1)  has no outstanding bonded debt; and

(2)  is not levying ad valorem taxes.

SECTION 3.  This Act takes effect September 1, 2021.