1	AN ACT								
2	relating to the directors and administration of the Hidalgo County								
3	Water Improvement District No. 3.								
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:								
5	SECTION 1. Subtitle I, Title 6, Special District Local Laws								
6	Code, is amended by adding Chapter 9054 to read as follows:								
7	CHAPTER 9054. HIDALGO COUNTY WATER IMPROVEMENT DISTRICT NO. 3								
8	SUBCHAPTER A. GENERAL PROVISIONS								
9	Sec. 9054.0001. DEFINITIONS. In this chapter:								
10	(1) "Board" means the district's board of directors.								
11	(2) "Commission" means the Texas Commission on								
12	Environmental Quality.								
13	(3) "Director" means a board member.								
14	(4) "District" means the Hidalgo County Water								
15	Improvement District No. 3.								
16	Sec. 9054.0002. NATURE OF DISTRICT. The district is a								
17	conservation and reclamation district organized to accomplish the								
18	purposes of Section 59, Article XVI, Texas Constitution, and								
19	operating as a water control and improvement district in accordance								
20	with Chapters 49 and 51, Water Code.								
21	SUBCHAPTER B. ELECTIONS								
22	Sec. 9054.0101. ELECTIONS. (a) The district shall hold an								
23	election on the uniform election date in November of each								
24	even-numbered year to elect the appropriate number of directors.								

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1	(b) The district shall contract with the county elections								
2	administrator as provided by Subchapter D, Chapter 31, Election								
3	Code, to perform all duties and functions of the district in								
4	relation to an election of directors.								
5	Sec. 9054.0102. ELIGIBILITY TO VOTE. To be eligible to vote								
6	in an election in the district, a person must be:								
7	(1) a qualified voter as defined by Section 11.002,								
8	Election Code, on the day the person offers to vote; and								
9	(2) a person who resides on land inside the territory								
10	defined by the boundaries of the district as submitted to the								
11	commission under Section 49.455(j), Water Code, or commission rule.								
12	Sec. 9054.0103. PROCEDURES FOR IDENTIFYING VOTERS;								
13	PROVISIONAL VOTING. (a) The district shall submit to the registrar								
14	a description or map of the territory defined by the boundaries of								
15	the district as submitted to the commission under Section								
16	49.455(j), Water Code, or commission rule, that is in sufficient								
17	detail to enable the registrar to produce the official list of the								
18	district's eligible voters.								
19	(b) The district shall submit the information required								
20	under this section not later than the 30th day after the date of the								
21	last day to order a general or special election.								
22	(c) If county election officials are unable to verify								
23	whether a voter is eligible under Section 9054.0102, the voter may								
24	be accepted to vote only provisionally under Section 63.011,								
25	Election Code.								
26	Sec. 9054.0104. BOND AND CONTRACT ELECTIONS; NOVEMBER								
27	DATES. (a) A bond election held by the district must be held in								

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1 accordance with Section 49.106, Water Code, except that the 2 district may not hold the election on a date other than the uniform 3 election date prescribed by Section 41.001, Election Code, that 4 occurs in November of the applicable tax year. 5 (b) A contract election held by the district must be held in 6 accordance with Section 49.108, Water Code, except that the 7 district may not hold the election on a date other than the uniform

8 election date prescribed by Section 41.001, Election Code, that 9 occurs in November of the applicable tax year.

10 <u>Sec. 9054.0105. EXCLUSION OF TERRITORY.</u> (a) This section 11 <u>applies to the exclusion of territory by the district under the</u> 12 <u>authority of Subchapters J and J-1, Chapter 49, Water Code, and</u> 13 <u>Subchapter 0, Chapter 51, Water Code.</u>

14 (b) The district may exclude territory on the basis that the 15 land is in agricultural use only if the land meets the requirements 16 for agricultural use under Section 23.51, Tax Code.

17 (c) The district may exclude territory on the basis that the 18 land is nonirrigated property only if the land meets the 19 requirements for nonirrigated property under Section 49.309, Water 20 Code.

## 21 (d) The district may exclude territory on the basis of the 22 property being urban property only if the property meets the 23 requirements of Section 49.3181, Water Code.

(e) The district may not exclude territory during the period
of time between the first day that a candidate may file an
application under Section 141.040, Election Code, and the day of
the election in which that candidate appears on the ballot.

1	SUBCHAPTER C. BOARD OF DIRECTORS									
2	Sec. 9054.0201. DIRECTORS; TERMS. (a) The district is									
3	governed by a board of five directors.									
4	(b) Directors serve staggered terms of four years.									
5	Sec. 9054.0202. VACANCIES. (a) The district shall fill a									
6	vacancy on the board in accordance with Sections 49.105(a)-(c),									
7	Water Code.									
8	(b) If a position on the board becomes vacant on a date that									
9	is more than two years before the next scheduled date for an									
10	election for the office, the board shall:									
11	(1) appoint a person to fill the vacant office until a									
12	person elected to that office has qualified; and									
13	(2) hold an election to elect a member to fill the									
14	vacant office for the remainder of the unexpired term together with									
15	the next regularly scheduled election for other directors' offices.									
16	(c) Section 49.105(d) does not apply to the board.									
17	Sec. 9054.0203. QUALIFICATIONS FOR DIRECTOR. (a) To be									
18	qualified to serve as a director, a person:									
19	(1) must be eligible to hold office under Section									
20	141.001, Election Code, and Section 9054.0204; and									
21	(2) must:									
22	(A) own land subject to taxation in the district;									
23	(B) be a user of the facilities of the district;									
24	<u>or</u>									
25	(C) be a qualified voter of the district under									
26	Section 9054.0102.									
27	(b) Section 49.052, Water Code, applies to the district.									

	Sec.	. 905	54.0204.	DIS	QUALI	IFI	CATION	OF	DIRECI	ORS.	(a)	A
member	of	the	governi	ng bo	dy o	fa	nother	pol	itical	subdi	ivision	is
disqua	lifi	led f	rom serv	ing a	s a d	ire	ector.					

4 (b) A director is disqualified from serving as a director
5 <u>if:</u>

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6 (1) the director is appointed or elected as a member of 7 the governing body of another political subdivision; or

8 (2) the board determines a relationship or employment 9 exists that constitutes a disqualification under Section 10 <u>49.052(a), Water Code.</u>

11 (c) A person is disqualified from serving as a director if 12 the person or a relative of the person within the third degree by 13 consanguinity or affinity, as determined by Chapter 573, Government 14 Code:

15 (1) received 10 percent or more of gross income for the 16 previous year from a business entity or other organization, other 17 than a governmental entity, that receives money from the district; 18 (2) is employed by or participates in the management 19 of a business entity or other organization, other than a 20 governmental entity, that receives money from the district;

21 (3) directly or indirectly owns or controls more than
22 a 10 percent interest in the fair market value of a business or
23 other organization that receives money from the district;

24 <u>(4) serves as a corporate officer or member of the</u> 25 <u>board of directors of a business entity or other organization that</u> 26 <u>receives money from the district;</u>

27 (5) is a creditor, debtor, or guarantor in an amount of

1 \$5,000 or more of a person or business entity that receives money 2 from the district; 3 (6) uses or receives a substantial amount of tangible 4 goods, services, or money from the district other than compensation or reimbursement authorized by law; or 5 6 (7) is required to register as a lobbyist under 7 Chapter 305, Government Code, because of the person's activities for compensation on behalf of a profession related to the operation 8

9 <u>of the district.</u>

10 SECTION 2. (a) The legal notice of the intention to 11 introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a 12 copy of this Act have been furnished to all persons, agencies, 13 officials, or entities to which they are required to be furnished 14 15 under Section 59, Article XVI, Texas Constitution, and Chapter 313, 16 Government Code.

17 (b) The governor, one of the required recipients, has 18 submitted the notice and Act to the Texas Commission on 19 Environmental Quality.

The Texas Commission on Environmental Quality has filed 20 (c) its recommendations relating to this Act with the governor, the 21 and 22 lieutenant governor, the speaker of the house of representatives within the required time. 23

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

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1 SECTION 3. 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, 2023.

President of the Senate Speaker of the House I hereby certify that S.B. No. 1056 passed the Senate on April 26, 2023, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 27, 2023, by the following vote: Yeas 31, Nays 0.

## Secretary of the Senate

I hereby certify that S.B. No. 1056 passed the House, with amendment, on May 24, 2023, by the following vote: Yeas 117, Nays 21, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor